Journal of the Senate

Number 22—Regular Session **Friday, May 4, 2007**

CONTENTS

CALL TO ORDER

The Senate was called to order by President Pruitt at 10:00 a.m. A quorum present—37:

Mr. President	Gaetz	Peaden
Alexander	Garcia	Posey
Aronberg	Geller	Rich
Atwater	Haridopolos	Ring
Baker	Hill	Saunders
Bennett	Jones	Siplin
Bullard	Joyner	Storms
Carlton	Justice	Villalobos
Constantine	King	Webster
Crist	Lawson	Wilson
Deutch	Lynn	Wise
Dockery	Margolis	
Fasano	Oelrich	

PRAYER

The following prayer was offered by Senator Wise:

In a book that former Senator Campbell gave me called, *God's Little Devotional Book for Leaders*, I came across a short message that I thought the Florida Senate may want to hear today.

"When people are unreasonable, illogical, self-centered and arrogant, love them anyway. When people insist that your goodness contains selfish ulterior motives, do good anyway."

"If you are successful, you will win both friends and enemies. People may become jealous of you, succeed anyway. If you are honest and frank, you will be both honorable and vulnerable. Some will seek to twist your words against you. Be honest and frank anyway."

"If you show yourself to be a big person with great ideas, don't be surprised if you are opposed by small people with closed minds. Think big anyway."

"When you soar like an eagle, you attract hunters."

Thank you for this day the Lord has made, and give thanks unto him. Lord, it is the last day of session and it has not gone unnoticed by any of us.

Lord, we want to remember in our prayers today the family and friends of Martha Wellman who passed away suddenly this week. She was a longtime employee of the Office of Public Policy Analysis and Government Accountability. Please give them comfort during this time of sorrow.

Lord, we thank you for protecting our families during our 60 days in Tallahassee. We want to thank you for giving each of us the opportunity to not only serve you, but to be servants to the people of Florida. What a daunting assignment that is. Many of us will be traveling this weekend, and we ask for your travel mercies. Now give us peace that passes all understanding. In your holy name, we pray. Amen.

PLEDGE

Senate Pages Chloe R. Anderson, Andrew Ferguson, Carey "Allie" Caldwell and Lillian M. Caldwell, daughters of Diana Caldwell, Staff Director, Committee on Communications and Public Utilities, of Tallahassee, led the Senate in the pledge of allegiance to the flag of the United States of America.

DOCTOR OF THE DAY

The President recognized Dr. Walter B. Flesner III of Cape Coral, sponsored by Senator Saunders, as doctor of the day. Dr. Flesner specializes in Family Practice.

ADOPTION OF RESOLUTIONS

At the request of Senator Dockery—

By Senator Dockery—

SR 3082—A resolution recognizing October 2007 as "Breast Cancer Awareness Month."

WHEREAS, breast cancer is the most common cancer diagnosed in women in the United States, and

WHEREAS, Florida ranks second in the nation for total number of breast cancer deaths and fourth in total number of new breast cancer cases, and

WHEREAS, all women are at risk for breast cancer and the single most important risk factor is age, such that breast cancers predominantly occur in women age 50 and older, and the risk increases with age until age 80, and

WHEREAS, the American Cancer Society estimates that 11,710 new cases of invasive breast cancer will be diagnosed in Florida, and approximately 2,700 women will die of the disease during the year 2007, and

WHEREAS, a woman living in Florida has a one in eight chance of developing breast cancer, and

WHEREAS, breast cancer is the second most common cause of cancer death in white, African American, Asian American, American Indian, and Hispanic women living in the United States, and

WHEREAS, early detection, through routine clinical examinations and mammography screening beginning at age 40, in compliance with the American Cancer Society's recommended guidelines, are the key to detecting breast cancer at its earliest stages, and

WHEREAS, the 5-year survival rate for breast cancer, if the disease is found in its earliest stages, is 98 percent, but drops down to 26 percent if the cancer is detected late, in a stage of metastases, and

WHEREAS, in conjunction with the promotion of October as Breast Cancer Awareness Month, breast cancer awareness programs, such as the American Cancer Society's Reach to Recovery Program, will promote the early detection of breast cancer through regular screening, NOW, THEREFORE,

Be It Resolved by the Senate of the State of Florida:

That the month of October 2007 is recognized as "Breast Cancer Awareness Month" in Florida and all women are urged to understand the risks associated with breast cancer, to take preventive steps to minimize those risks, and to undergo early detection procedures, such as mammography, in compliance with the American Cancer Society's recommended breast cancer screening guidelines.

—**SR 3082** was introduced, read and adopted by publication.

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has passed CS for SB 1758, with amendment(s), and requests the concurrence of the Senate.

William S. Pittman III, Chief Clerk

CS for SB 1758—A bill to be entitled An act relating to hospitals; amending s. 395.003, F.S.; authorizing hospitals to operate an off-premises emergency department; requiring a license; providing criteria; providing that all off-premises emergency departments operating as of a certain date may continue to operate in accordance with the criteria in effect at the time of approval and that an off-premises emergency department that has had architectural plans approved by a certain date is subject to the license criteria in effect at the time of submission; providing an effective date.

House Amendment 1 (263699) (with title amendments)—

Remove everything after the enacting clause and insert:

Section 1. Subsection (1) of section 395.003, Florida Statutes, is amended to read:

395.003 Licensure; issuance, renewal, denial, modification, suspension, and revocation.—

(1)(a) A person may not establish, conduct, or maintain a hospital, ambulatory surgical center, or mobile surgical facility in this state without first obtaining a license under this part.

(b)1. It is unlawful for a person to use or advertise to the public, in any way or by any medium whatsoever, any facility as a "hospital," "ambulatory surgical center," or "mobile surgical facility" unless such facility has first secured a license under the provisions of this part.

2. This part does not apply to veterinary hospitals or to commercial business establishments using the word "hospital," "ambulatory surgical center," or "mobile surgical facility" as a part of a trade name if no treatment of human beings is performed on the premises of such establishments.

3. ~~Until July 1, 2006,~~ Additional emergency departments located off the premises of licensed hospitals may not be authorized by the agency *until July 1, 2009, except that a hospital which has commenced the licensure application process for an emergency department located off the premises of a licensed hospital, including the filing of initial documents on or before April 30, 2007, and has submitted Stage 2 architectural plans for an emergency department located off the premises of a licensed hospital as of July 1, 2007, or has received approval of Stage 2 architectural plans for an emergency department located off the premises of a licensed hospital as of July 15, 2007, may be authorized and licensed by the agency upon compliance with the same requirements as were imposed on off-premises emergency departments licensed prior to July 1, 2007.*

Section 2. This act shall take effect July 1, 2007.

And the title is amended as follows:

Remove the entire title and insert:

A bill to be entitled An act relating to hospitals; amending s. 395.003, F.S.; prohibiting the licensing of additional emergency departments located off the premises of a licensed hospital until July 1, 2008; providing exceptions; providing an effective date.

Senator Peaden moved the following amendment which was adopted:

Senate Amendment 1 (454946) (with title amendment) to House Amendment 1—On line 25, delete "*July*" and insert: *January*

And the title is amended as follows:

On line 46, delete "July 1, 2008" and insert: January 1, 2009

On motion by Senator Peaden, the Senate concurred in **House Amendment 1** as amended and requested the House to concur in the Senate amendment to the House amendment.

CS for SB 1758 passed as amended and the action of the Senate was certified to the House. The vote on passage was:

Yeas—37

Mr. President	Gaetz	Peaden
Alexander	Garcia	Posey
Aronberg	Geller	Rich
Atwater	Haridopolos	Ring
Baker	Hill	Saunders
Bennett	Jones	Siplin
Bullard	Joyner	Storms
Carlton	Justice	Villalobos
Constantine	King	Webster
Crist	Lawson	Wilson
Deutch	Lynn	Wise
Dockery	Margolis	
Fasano	Oelrich	

Nays—None

Vote after roll call:

Yea—Diaz de la Portilla

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has passed CS for SB 2092, with amendment(s), and requests the concurrence of the Senate.

William S. Pittman III, Chief Clerk

CS for SB 2092—A bill to be entitled An act relating to charter school districts; amending s. 1003.62, F.S.; postponing the termination of an academic performance-based charter school pilot program in certain counties; providing an effective date.

House Amendment 1 (709567)(with title amendment)—

Remove everything after the enacting clause and insert:

Section 1. Subsections (3) and (4) of section 20.15, Florida Statutes, are amended to read:

20.15 Department of Education.—There is created a Department of Education.

(3) DIVISIONS.—The following divisions of the Department of Education are established:

(a) Division of Community Colleges.

(b) Division of Public Schools.

(c) Division of *Workforce Education* ~~Colleges and Universities~~.

(d) Division of Vocational Rehabilitation.

(e) Division of Blind Services.

(f) Division of Accountability, Research, and Measurement.

(g) Division of Finance and Operations.

(4) DIRECTORS.—The directors of all divisions shall be appointed by the commissioner subject to approval by the state board. *The director*

of each division may be designated as "Deputy Commissioner" or "Chancellor."

Section 2. Subsection (2) of section 145.19, Florida Statutes, is amended to read:

145.19 Annual percentage increases based on increase for state career service employees; limitation.—

(2) Each fiscal year, the salaries of all officials listed in this chapter*, s. 1001.395,* and s. 1001.47 shall be adjusted. The adjusted salary rate shall be the product, rounded to the nearest dollar, of the salary rate granted by the appropriate section of this chapter*, s. 1001.395,* or s. 1001.47 multiplied first by the initial factor, then by the cumulative annual factor, and finally by the annual factor. The Department of Management Services shall certify the annual factor and the cumulative annual factors. Any special qualification salary received under this chapter, s. 1001.47, or the annual performance salary incentive available to elected superintendents under s. 1001.47 shall be added to such adjusted salary rate. The special qualification salary shall be $2,000, but shall not exceed $2,000.

Section 3. Subsection (1) of section 1001.10, Florida Statutes, is amended to read:

1001.10 Commissioner of Education; general powers and duties.—The Commissioner of Education is the chief educational officer of the state and the sole custodian of the K-20 data warehouse, and is responsible for giving full assistance to the State Board of Education in enforcing compliance with the mission and goals of the seamless K-20 education system. To facilitate innovative practices and to allow local selection of educational methods, the State Board of Education may authorize the commissioner to waive, upon the request of a district school board, State Board of Education rules that relate to district school instruction and school operations, except those rules pertaining to civil rights, and student health, safety, and welfare. The Commissioner of Education is not authorized to grant waivers for any provisions in rule pertaining to the allocation and appropriation of state and local funds for public education; the election, compensation, and organization of school board members and superintendents; graduation and state accountability standards; financial reporting requirements; reporting of out-of-field teaching assignments under s. 1012.42; public meetings; public records; or due process hearings governed by chapter 120. No later than January 1 of each year, the commissioner shall report to the Legislature and the State Board of Education all approved waiver requests in the preceding year. Additionally, the commissioner has the following general powers and duties:

(1) To *organize and name the structural units of the Department of Education and* appoint staff necessary to carry out ~~his or her powers and~~ duties *and functions of the department in a manner that meets legislative intent and promotes both efficiency and accountability*.

The commissioner's office shall operate all statewide functions necessary to support the State Board of Education and the K-20 education system, including strategic planning and budget development, general administration, and assessment and accountability.

Section 4. Section 1001.395, Florida Statutes, is amended to read:

1001.395 District school board members; compensation.—*Each member of the district school board shall receive a base salary, the amounts indicated in this section, based on the population of the county the district school board member serves. In addition, compensation shall be made for population increments over the minimum for each population group, which shall be determined by multiplying the population in excess of the minimum for the group times the group rate. The product of such calculation shall be added to the base salary to determine the adjusted base salary. The adjusted base salaries of district school board members shall be increased annually as provided for in s. 145.19.*

Pop. Group	*County Pop. Range*		*Base Salary*	*Group Rate*
	Minimum	*Maximum*		
I	*-0-*	*9,999*	*$5,000*	*$0.08330*
II	*10,000*	*49,000*	*5,833*	*0.020830*
III	*50,000*	*99,999*	*6,666*	*0.016680*
IV	*100,000*	*199,999*	*7,500*	*0.008330*
V	*200,000*	*399,999*	*8,333*	*0.004165*
VI	*400,000*	*999,999*	*9,166*	*0.001390*
VII	*1,000,000*		*10,000*	*0.000000*

District school board member salaries negotiated on or after November of 2006 shall remain in effect up to the date of the 2007-2008 calculation provided pursuant to s. 145.19.

~~(1) Each district school board shall annually determine the salary of its members at the first regular meeting following the organizational meeting held pursuant to s. 1001.371. The proposed salary to be adopted shall be noticed at the time of the meeting notice and shall not be increased during the meeting. The salary adopted by the district school board shall be in effect during the succeeding 12 months.~~

~~(2) This section shall apply to any district school board member elected or reelected at the November 2002 general election or any subsequent general election and to any person appointed to fill a vacancy in the office of any such member.~~

Section 5. Subsection (2) of section 1001.47, Florida Statutes, is amended to read:

1001.47 District school superintendent; salary.—

(2) Each elected district school superintendent shall receive a base salary, the amounts indicated in this subsection, based on the population of the county the elected superintendent serves. In addition, compensation shall be made for population increments over the minimum for each population group, which shall be determined by multiplying the population in excess of the minimum for the group times the group rate. The product of such calculation shall be added to the base salary to determine the adjusted base salary. ~~Laws that increase the base salary provided in this subsection shall contain provisions on no other subject.~~

Pop. Group	County Pop. Range		Base Salary	Group Rate
	Minimum	Maximum		
I	-0-	49,999	*$23,350* ~~$21,250~~	$0.07875
II	50,000	99,999	*26,500* ~~24,400~~	0.06300
III	100,000	199,999	*29,650* ~~27,550~~	0.02625
IV	200,000	399,999	*32,275* ~~30,175~~	0.01575
V	400,000	999,999	*35,425* ~~33,325~~	0.00525
VI	1,000,000		*38,575* ~~36,475~~	0.00400

Section 6. Paragraphs (b), (c), (e), and (f) of subsection (6), paragraph (b) of subsection (7), paragraph (k) of subsection (9), and paragraph (d) of subsection (18) of section 1002.33, Florida Statutes, are amended to read:

1002.33 Charter schools.—

(6) APPLICATION PROCESS AND REVIEW.—Charter school applications are subject to the following requirements:

(b) A *sponsor* ~~district school board~~ shall receive and review all applications for a charter school. Beginning with the 2007-2008 school year, a *sponsor* ~~district school board~~ shall receive and consider charter school applications received on or before August 1 of each calendar year for charter schools to be opened at the beginning of the school district's next school year, or to be opened at a time agreed to by the applicant and the *sponsor* ~~district school board~~. A *sponsor* ~~district school board~~ may receive applications later than this date if it chooses. A sponsor may not charge an applicant for a charter any fee for the processing or consideration of an application, and a sponsor may not base its consideration or approval of an application upon the promise of future payment of any kind.

1. In order to facilitate an accurate budget projection process, a *sponsor* ~~district school board~~ shall be held harmless for FTE students who are not included in the FTE projection due to approval of charter school applications after the FTE projection deadline. In a further effort to facilitate an accurate budget projection, within 15 calendar days after receipt of a charter school application, a ~~district school board or other~~ sponsor shall report to the Department of Education the name of the applicant entity, the proposed charter school location, and its projected FTE.

2. In order to ensure fiscal responsibility, an application for a charter school shall include a full accounting of expected assets, a projection of expected sources and amounts of income, including income derived from projected student enrollments and from community support, and an expense projection that includes full accounting of the costs of operation, including start-up costs.

3. A *sponsor* ~~district school board~~ shall by a majority vote approve or deny an application no later than 60 calendar days after the application is received, unless the *sponsor* ~~district school board~~ and the applicant mutually agree in writing to temporarily postpone the vote to a specific date, at which time the *sponsor* ~~district school board~~ shall by a majority vote approve or deny the application. If the *sponsor* ~~district school board~~ fails to act on the application, an applicant may appeal to the State Board of Education as provided in paragraph (c). If an application is denied, the *sponsor* ~~district school board~~ shall, within 10 calendar days, articulate in writing the specific reasons*, based upon good cause, supporting* ~~for~~ its denial of the charter application and shall provide the letter of denial and supporting documentation to the applicant and to the Department of Education supporting those reasons.

4. For budget projection purposes, the ~~district school board or other~~ sponsor shall report to the Department of Education the approval or denial of a charter application within 10 calendar days after such approval or denial. In the event of approval, the report to the Department of Education shall include the final projected FTE for the approved charter school.

5. Upon approval of a charter application, the initial startup shall commence with the beginning of the public school calendar for the district in which the charter is granted unless the sponsor allows a waiver of this provision for good cause.

(c) An applicant may appeal any denial of that applicant's application or failure to act on an application to the State Board of Education no later than 30 calendar days after receipt of the *sponsor's* ~~district school board's~~ decision or failure to act and shall notify the *sponsor* ~~district school board~~ of its appeal. Any response of the *sponsor* ~~district school board~~ shall be submitted to the State Board of Education within 30 calendar days after notification of the appeal. Upon receipt of notification from the State Board of Education that a charter school applicant is filing an appeal, the Commissioner of Education shall convene a meeting of the Charter School Appeal Commission to study and make recommendations to the State Board of Education regarding its pending decision about the appeal. The commission shall forward its recommendation to the state board no later than 7 calendar days prior to the date on which the appeal is to be heard. The State Board of Education shall by majority vote accept or reject the decision of the *sponsor* ~~district school board~~ no later than 90 calendar days after an appeal is filed in accordance with State Board of Education rule. The Charter School Appeal Commission may reject an appeal submission for failure to comply with procedural rules governing the appeals process. The rejection shall describe the submission errors. The appellant may have up to 15 calendar days from notice of rejection to resubmit an appeal that meets requirements of State Board of Education rule. An application for appeal submitted subsequent to such rejection shall be considered timely if the original appeal was filed within 30 calendar days after receipt of notice of the specific reasons for the *sponsor's* ~~district school board's~~ denial of the charter application. The State Board of Education shall remand the application to the *sponsor* ~~district school board~~ with its written decision that the *sponsor* ~~district school board~~ approve or deny the application. The *sponsor* ~~district school board~~ shall implement the decision of the State Board of Education. The decision of the State Board of Education is not subject to the provisions of the Administrative Procedure Act, chapter 120.

(e) The *sponsor* ~~district school board~~ shall act upon the decision of the State Board of Education within 30 calendar days after it is received. The State Board of Education's decision is a final action subject to judicial review in the district court of appeal.

(f)1. A Charter School Appeal Commission is established to assist the commissioner and the State Board of Education with a fair and impartial review of appeals by applicants whose charter applications have been denied, whose charter contracts have not been renewed, or whose charter contracts have been terminated by their sponsors.

2. The Charter School Appeal Commission may receive copies of the appeal documents forwarded to the State Board of Education, review the documents, gather other applicable information regarding the appeal, and make a written recommendation to the commissioner. The recommendation must state whether the appeal should be upheld or denied and include the reasons for the recommendation being offered. The commissioner shall forward the recommendation to the State Board of Education no later than 7 calendar days prior to the date on which the appeal is to be heard. The state board must consider the commission's recommendation in making its decision, but is not bound by the recommendation. The decision of the Charter School Appeal Commission is not subject to the provisions of the Administrative Procedure Act, chapter 120.

3. The commissioner shall appoint the members of the Charter School Appeal Commission. Members shall serve without compensation but may be reimbursed for travel and per diem expenses in conjunction with their service. One-half of the members must represent currently operating charter schools, and one-half of the members must represent *sponsors* ~~school districts~~. The commissioner or a named designee shall chair the Charter School Appeal Commission.

4. The chair shall convene meetings of the commission and shall ensure that the written recommendations are completed and forwarded in a timely manner. In cases where the commission cannot reach a decision, the chair shall make the written recommendation with justification, noting that the decision was rendered by the chair.

5. Commission members shall thoroughly review the materials presented to them from the appellant and the sponsor. The commission may request information to clarify the documentation presented to it. In the course of its review, the commission may facilitate the postponement of an appeal in those cases where additional time and communication may negate the need for a formal appeal and both parties agree, in writing, to postpone the appeal to the State Board of Education. A new date certain for the appeal shall then be set based upon the rules and procedures of the State Board of Education. Commission members shall provide a written recommendation to the state board as to whether the appeal should be upheld or denied. A fact-based justification for the recommendation must be included. The chair must ensure that the written recommendation is submitted to the State Board of Education members no later than 7 calendar days prior to the date on which the appeal is to be heard. Both parties in the case shall also be provided a copy of the recommendation.

(7) CHARTER.—The major issues involving the operation of a charter school shall be considered in advance and written into the charter. The charter shall be signed by the governing body of the charter school and the sponsor, following a public hearing to ensure community input.

(b)1. A charter may be renewed provided that a program review demonstrates that the criteria in paragraph (a) have been successfully accomplished and that none of the grounds for nonrenewal established by paragraph (8)(a) has been documented. In order to facilitate long-term financing for charter school construction, charter schools operating for a minimum of *3* ~~2~~ years and demonstrating exemplary academic programming and fiscal management are eligible for a 15-year charter renewal. Such long-term charter is subject to annual review and may be terminated during the term of the charter.

2. The 15-year charter renewal that may be granted pursuant to subparagraph 1. shall be granted to a charter school that has received a school grade of "A" or "B" pursuant to s. 1008.34 in 3 of the past 4 years and is not in a state of financial emergency or deficit position as defined by this section. Such long-term charter is subject to annual review and may be terminated during the term of the charter pursuant to subsection (8).

(9) CHARTER SCHOOL REQUIREMENTS.—

(k) The governing body of the charter school shall be responsible for:

1. Ensuring that the charter school has retained the services of a certified public accountant or auditor for the annual financial audit, pursuant to paragraph (g), who shall submit the report to the governing body.

2. Reviewing and approving the audit report, including audit findings and recommendations for the financial recovery plan.

3. Monitoring a financial recovery plan in order to ensure compliance.

4. Participating in governance training approved by the department that must include government in the sunshine, conflicts of interest, ethics, and financial responsibility.

(18) FACILITIES.—

(d) Charter school facilities are exempt from assessments of fees for building permits, except as provided in s. 553.80, fees for building and occupational licenses, ~~and~~ impact fees*,* ~~or~~ service availability fees *, and assessments for special benefits*.

Section 7. Subsections (2) and (4) of section 1003.428, Florida Statutes, are amended to read:

1003.428 General Requirements for high school graduation; revised.—

(2) The 24 credits may be earned through applied, integrated, and combined courses approved by the Department of Education and shall be distributed as follows:

(a) Sixteen core curriculum credits:

1. Four credits in English, with major concentration in composition, reading for information, and literature.

2. Four credits in mathematics, one of which must be Algebra I, a series of courses equivalent to Algebra I, or a higher-level mathematics course. School districts are encouraged to set specific goals to increase enrollments in, and successful completion of, geometry and Algebra II.

3. Three credits in science, two of which must have a laboratory component.

4. Three credits in social studies as follows: one credit in American history; one credit in world history; one-half credit in economics; and one-half credit in American government.

5. One credit in fine *or performing* arts*, which may include speech and debate*.

6. One credit in physical education to include integration of health. *Participation in an interscholastic sport at the junior varsity or varsity level for two full seasons shall satisfy the one-credit requirement in physical education if the student passes a competency test on personal fitness with a score of "C" or better. The competency test on personal fitness must be developed by the Department of Education. A district school board may not require that the one credit in physical education be taken during the 9th grade year. Completion of one semester with a grade of "C" or better in a marching band class, in a physical activity class that requires participation in marching band activities as an extracurricular activity, or in a dance class shall satisfy one-half credit in physical education or one-half credit in performing arts. This credit may not be used to satisfy the personal fitness requirement or the requirement for adaptive physical education under an individual education plan (IEP) or 504 plan. Completion of 2 years in a Reserve Officer Training Corps (R.O.T.C.) class, a significant component of which is drills, shall satisfy the one-credit requirement in physical education and the one-credit requirement in performing arts. This credit may not be used to satisfy the personal fitness requirement or the requirement for adaptive physical education under an individual education plan (IEP) or 504 plan.*

(b) Eight credits in majors, minors, or electives:

1. Four credits in a major area of interest, such as sequential courses in a career and technical program, fine and performing arts, or academic content area, selected by the student as part of the education plan required by s. 1003.4156. Students may revise major areas of interest each year as part of annual course registration processes and should update their education plan to reflect such revisions. Annually by October 1, the district school board shall approve major areas of interest and submit the list of majors to the Commissioner of Education for approval. Each major area of interest shall be deemed approved unless specifically rejected by the commissioner within 60 days. Upon approval, each district's major areas of interest shall be available for use by all school districts and shall be posted on the department's website.

2. Four credits in elective courses selected by the student as part of the education plan required by s. 1003.4156. These credits may be combined to allow for a second major area of interest pursuant to subparagraph 1., a minor area of interest, elective courses, *or* intensive reading or mathematics intervention courses~~, or credit recovery courses~~ as described in this subparagraph.

a. Minor areas of interest are composed of three credits selected by the student as part of the education plan required by s. 1003.4156 and approved by the district school board.

b. Elective courses are selected by the student in order to pursue a complete education program as described in s. 1001.41(3) and to meet eligibility requirements for scholarships.

c. For each year in which a student scores at Level l on FCAT Reading, the student must be enrolled in and complete an intensive reading course the following year. Placement of Level 2 readers in either an intensive reading course or a content area course in which reading strategies are delivered shall be determined by diagnosis of reading needs. The department shall provide guidance on appropriate strategies for diagnosing and meeting the varying instructional needs of students reading below grade level. Reading courses shall be designed and offered pursuant to the comprehensive reading plan required by s. 1011.62(8).

d. For each year in which a student scores at Level 1 or Level 2 on FCAT Mathematics, the student must receive remediation the following year. These courses may be taught through applied, integrated, or combined courses and are subject to approval by the department for inclusion in the Course Code Directory.

~~e. Credit recovery courses shall be offered so that students can simultaneously earn an elective credit and the recovered credit.~~

(4) Each district school board shall establish standards for graduation from its schools, which must include:

(a) Successful completion of the academic credit or curriculum requirements of subsections (1) and (2).

(b) Earning passing scores on the FCAT, as defined in s. 1008.22(3)(c), or scores on a standardized test that are concordant with passing scores on the FCAT as defined in s. 1008.22(9).

(c) Completion of all other applicable requirements prescribed by the district school board pursuant to s. 1008.25.

(d) Achievement of a cumulative grade point average of 2.0 on a 4.0 scale, or its equivalent, in the courses required by this section.

Each district school board shall adopt policies designed to assist students in meeting the requirements of this subsection. These policies may include, but are not limited to: forgiveness policies, summer school or before or after school attendance, special counseling, volunteers or peer tutors, school-sponsored help sessions, homework hotlines, and study skills classes. Forgiveness policies for required courses shall be limited to replacing a grade of "D" or "F," or the equivalent of a grade of "D" or "F," with a grade of "C" or higher, or the equivalent of a grade of "C" or higher, earned subsequently in the same or comparable course. Forgiveness policies for elective courses shall be limited to replacing a grade of "D" or "F," or the equivalent of a grade of "D" or "F," with a grade of "C" or higher, or the equivalent of a grade of "C" or higher, earned subsequently in another course. The only exception to these forgiveness policies shall be made for a student in the middle grades who takes any high school course for high school credit and earns a grade of "C," "D," or "F" or the equivalent of a grade of "C," "D," or "F." In such case, the district forgiveness policy must allow the replacement of the grade with a grade of "C" or higher, or the equivalent of a grade of "C" or higher, earned subsequently in the same or comparable course. In all cases of grade forgiveness, only the new grade shall be used in the calculation of the student's grade point average. Any course grade not replaced according to a district school board forgiveness policy shall be included in the calculation of the cumulative grade point average required for graduation.

Section 8. Paragraph (e) of subsection (2) of section 1003.51, Florida Statutes, is amended to read:

1003.51 Other public educational services.—

(2) The State Board of Education shall adopt and maintain an administrative rule articulating expectations for effective education programs for youth in Department of Juvenile Justice programs, including, but not limited to, education programs in juvenile justice commitment and detention facilities. The rule shall articulate policies and standards for education programs for youth in Department of Juvenile Justice programs and shall include the following:

(e) Assessment procedures, which:

1. Include appropriate academic and career assessments administered at program entry and exit that are selected by the Department of

Education in partnership with representatives from the Department of Juvenile Justice, district school boards, and providers.

2. Require district school boards to be responsible for ensuring the completion of the assessment process.

3. Require assessments for students in detention who will move on to commitment facilities, to be designed to create the foundation for developing the student's education program in the assigned commitment facility.

4. Require assessments of students sent directly to commitment facilities to be completed within the first *10 school days* ~~week~~ of the student's commitment.

The results of these assessments, together with a portfolio depicting the student's academic and career accomplishments, shall be included in the discharge package assembled for each youth.

Section 9. Subsection (7) of section 1003.62, Florida Statutes, is amended to read:

1003.62 Academic performance-based charter school districts.—The State Board of Education may enter into a performance contract with district school boards as authorized in this section for the purpose of establishing them as academic performance-based charter school districts. The purpose of this section is to examine a new relationship between the State Board of Education and district school boards that will produce significant improvements in student achievement, while complying with constitutional and statutory requirements assigned to each entity.

(7) PILOT PROGRAM CHARTER SCHOOL DISTRICTS; GRANDFATHER PROVISION.—The State Board of Education shall use the criteria approved in the initial charter applications issued to the school districts of Volusia, Hillsborough, Orange, and Palm Beach Counties to renew those pilot program charter school districts in accordance with this subsection. No additional pilot program charter school districts shall be approved, and the pilot program consists solely of school districts in Volusia, Hillsborough, Orange, and Palm Beach Counties. The termination of the charter school districts pilot program is effective *July 1, 2010.* ~~July 1, 2007, or upon the end of a 5-year renewal contract issued by the State Board of Education to the Volusia County, Hillsborough County, Orange County, or Palm Beach County school district prior to July 1, 2003, whichever is later.~~

Section 10. This act shall take effect upon becoming a law except that the amendment to s. 1002.33(18)(d), Florida Statutes, by this act, shall apply retroactively to July 1, 1996.

And the title is amended as follows:

Remove the entire title and insert:

A bill to be entitled An act relating to education; amending s. 20.15, F.S.; revising the divisions of the Department of Education to replace the Division of Colleges and Universities with the Division of Workforce Education and to include the Division of Finance and Operations; providing name designations for the director of each division; amending s. 145.19, F.S., relating to salary increases based on increase for state career service employees, to include district school board member salaries; amending s. 1001.10, F.S., relating to the Commissioner of Education's powers and duties, to include organizing and naming the structural units of the Department of Education and appointing staff to carry out department functions; amending s. 1001.395, F.S.; revising the manner in which compensation of district school board members is determined; specifying base salary amounts; amending s. 1001.47, F.S.; revising provisions relating to base salaries of district school superintendents; amending s. 1002.33, F.S., relating to charter schools; updating terminology; clarifying the standard for review of charter school applications; clarifying charter renewal provisions; requiring the governing body to participate in certain governance training; clarifying charter school facility fee exemptions; amending s. 1003.428, F.S.; revising provisions governing credit requirements for high school graduation; removing language relating to credit recovery courses; requiring policies to assist students in meeting high school graduation requirements; providing guidelines for district school board grade forgiveness policies; amending s. 1003.51, F.S.; providing additional time for initial educational assessments of youths assigned to Department of Juvenile Justice education programs; amending s. 1003.62, F.S.; postponing termination of a charter school district pilot program in certain counties; providing for retroactive application; providing an effective date.

House Amendment 2 to House Amendment 1 (268789)(with title amendment)—

Between line(s) 530 and 531 insert:

Section 10. Paragraph (a) of subsection (2) of section 1012.225, Florida Statutes, as created by chapter 2007-3, Laws of Florida, is amended to read:

1012.225 Merit Award Program for Instructional Personnel and School-Based Administrators.—

(2) PAY SUPPLEMENTS STRUCTURE.—Merit Award Program plans shall provide for the annual disbursement of merit-based pay supplements to high-performing employees in the manner described in this subsection.

(a) Each Merit Award Program plan must designate the top instructional personnel and school-based administrators to be outstanding performers and pay to each such employee who remains employed by a Florida public school *or who retired after qualifying for the award*, by September 1 of the following school year, a merit-based pay supplement of at least 5 percent of the average teacher's salary for that school district not to exceed 10 percent of the average teacher's salary for that school district. The amount of a merit award may not be based on length of service or base salary. Pay supplements shall be funded from moneys appropriated by the Legislature under this section and from any additional funds that are designated by the district for the Merit Award Program. School districts are not required to implement this section unless the program is specifically funded by the Legislature. By October 1 of each year, each school district shall provide documentation to the Department of Education concerning the expenditure of legislative appropriations for merit-based pay, and shall refund undisbursed appropriations to the department. If such undisbursed funds are not remitted to the department by November 1, the department shall withhold an equivalent amount from the district's allocation of appropriations made under s. 1011.62.

And the title is amended as follows:

Remove line(s) 573 and insert:

certain counties; amending s. 1012.225, F.S., relating to Merit Award Program plans; revising eligibility requirements for receipt of a merit-based pay supplement; providing for retroactive application;

Senator Deutch moved the following amendment which was adopted:

Senate Amendment 1 (543408) (with title amendment) to House Amendment 1—Lines 116-138, delete those lines and renumber subsequent sections.

And the title is amended as follows:

Lines 554-556, delete those lines and insert: determined; specifying base salary amounts; amending s.

On motion by Senator Deutch, the Senate concurred in **House Amendment 1** as amended and requested the House to concur in the Senate amendment to the House amendment; and concurred in **House Amendment 2**.

CS for SB 2092 passed as amended and the action of the Senate was certified to the House. The vote on passage was:

Yeas—39

Mr. President	Crist	Haridopolos
Alexander	Dawson	Hill
Aronberg	Deutch	Jones
Atwater	Diaz de la Portilla	Joyner
Baker	Dockery	Justice
Bennett	Fasano	King
Bullard	Gaetz	Lawson
Carlton	Garcia	Lynn
Constantine	Geller	Margolis

Oelrich	Ring	Villalobos
Peaden	Saunders	Webster
Posey	Siplin	Wilson
Rich	Storms	Wise

Nays—None

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has refused to concur in Senate amendment(s) to CS for HB 461 and requests the Senate to recede.

William S. Pittman III, Chief Clerk

CS for HB 461—A bill to be entitled An act relating to high school athletics; amending s. 1006.20, F.S.; requiring the Florida High School Athletic Association to facilitate a 1-year drug testing program to randomly test certain students for anabolic steroid use; requiring schools to consent to the provisions of the program as a prerequisite for membership in the organization; requiring the organization to establish procedures for the conduct of the program, including contracting with a testing agency to administer the program; providing that records relating to drug tests and challenge and appeal proceedings shall be maintained separately from a student's educational record; requiring students and their parents to consent to the provisions of the program as a prerequisite for eligibility to participate in specified sports; requiring the administration of a school to meet with a student who tests positive and his or her parent to review the finding, penalties, and procedures for challenge and appeal; providing penalties for positive findings; providing due process procedures for challenge and appeal; providing that the result of a drug test is not admissible in a criminal prosecution; requiring a report to the Legislature on the results of the program; providing an exemption from civil liability resulting from implementation of the program; requiring the Department of Legal Affairs to provide defense in claims of civil liability; requiring program expenses to be paid through legislative appropriation; providing for repeal of the program; providing an effective date.

On motion by Senator Villalobos, the Senate receded from Senate Amendment 1.

CS for HB 461 passed and the action of the Senate was certified to the House. The vote on passage was:

Yeas—39

Mr. President	Dockery	Margolis
Alexander	Fasano	Oelrich
Aronberg	Gaetz	Peaden
Atwater	Garcia	Posey
Baker	Geller	Rich
Bennett	Haridopolos	Ring
Bullard	Hill	Saunders
Carlton	Jones	Siplin
Constantine	Joyner	Storms
Crist	Justice	Villalobos
Dawson	King	Webster
Deutch	Lawson	Wilson
Diaz de la Portilla	Lynn	Wise

Nays—None

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has passed CS for SB 1976, with amendment(s), and requests the concurrence of the Senate.

William S. Pittman III, Chief Clerk

CS for SB 1976—A bill to be entitled An act relating to the competitive solicitation of contracts; amending s. 287.057, F.S.; requiring that additional types of contracts by state agencies be procured by competitive solicitation; providing an effective date.

House Amendment 1 (094129)(with title amendment)—

On page 1, between lines 9 and 10, insert:

Section 1. Section 255.103, Florida Statutes, is created to read:

255.103 Construction management entities; program management entities.—

(1) "Local government" as used in this section means a county, municipality, or special district as defined in chapter 189, or other political subdivision of the state.

(2) A local government may select a construction management entity, pursuant to the process provided by s. 287.055, that would be responsible for construction project scheduling and coordination in both preconstruction and construction phases and is generally responsible for the successful, timely, and economical completion of the construction project. The construction management entity must consist of or contract with licensed or registered professionals for the specific fields or areas of construction to be performed, as required by law. The construction management entity may retain necessary design professionals selected under the process provided in s. 287.055. At the option of the local government, the construction management entity, after having been selected and after competitive negotiations, may be required to offer either a guaranteed maximum price and a guaranteed completion date or a lump-sum price and a guaranteed completion date, in which case the construction management entity must secure an appropriate surety bond pursuant to s. 255.05 and must hold construction subcontracts. If a project, as defined in s. 287.055(2)(f), solicited by a local government under the process provided in s. 287.055 includes a grouping of substantially similar construction, rehabilitation, or renovation activities as permitted under s. 287.055(2)(f), the local government, after competitive negotiations, may require the construction management entity to provide for a separate guaranteed maximum price or a separate lump-sum price and a separate guaranteed completion date for each grouping of substantially similar construction, rehabilitation, or renovation activities included within the project.

(3) A local government may select a program management entity, pursuant to the process provided by s. 287.055, that would be responsible for schedule control, cost control, and coordination in providing or procuring planning, design, and construction services. The program management entity must consist of or contract with licensed or registered professionals for the specific areas of design or construction to be performed as required by law. The program management entity may retain necessary design professionals selected under the process provided in s. 287.055. At the option of the local government, the program management entity, after having been selected and after competitive negotiations, may be required to offer either a guaranteed maximum price and a guaranteed completion date or a lump-sum price and a guaranteed completion date, in which case the program management entity must secure an appropriate surety bond pursuant to s. 255.05 and must hold design and construction subcontracts. If a project, as defined in s. 287.055(2)(f), solicited by a local government under the process provided in s. 287.055 includes a grouping of substantially similar construction, rehabilitation, or renovation activities as permitted under s. 287.055(2)(f), the local government, after competitive negotiations, may require the program management entity to provide for a separate guaranteed maximum price or a lump-sum price and a separate guaranteed completion date for each grouping of substantially similar construction, rehabilitation, or renovation activities included within the project.

(4) Nothing in this section shall be construed to prohibit a local government from procuring construction management services, including the services of a program management entity, pursuant to the requirements of s. 255.20.

Section 2. Paragraphs (b) and (c) of subsection (9) of section 287.055, Florida Statutes, are amended to read:

287.055 Acquisition of professional architectural, engineering, landscape architectural, or surveying and mapping services; definitions; procedures; contingent fees prohibited; penalties.—

(9) APPLICABILITY TO DESIGN-BUILD CONTRACTS.—

(b) The design criteria package must be prepared and sealed by a design criteria professional employed by or retained by the agency. If the

agency elects to enter into a professional services contract for the preparation of the design criteria package, then the design criteria professional must be selected and contracted with under the requirements of subsections *(3),* (4)*,* and (5). A design criteria professional who has been selected to prepare the design criteria package is not eligible to render services under a design-build contract executed pursuant to the design criteria package.

(c) Except as otherwise provided in s. 337.11(7), the Department of Management Services shall adopt rules for the award of design-build contracts to be followed by state agencies. Each other agency must adopt rules or ordinances for the award of design-build contracts. Municipalities, political subdivisions, school districts, and school boards shall award design-build contracts by the use of a competitive proposal selection process as described in this subsection, or by the use of a qualifications-based selection process pursuant to subsections (3), (4), and (5) for entering into a contract whereby the selected firm will*, subsequent to competitive negotiations,* ~~subsequently~~ establish a guaranteed maximum price and guaranteed completion date. If the procuring agency elects the option of qualifications-based selection, during the selection of the design-build firm the procuring agency shall employ or retain a licensed design professional appropriate to the project to serve as the agency's representative. Procedures for the use of a competitive proposal selection process must include as a minimum the following:

1. The preparation of a design criteria package for the design and construction of the public construction project.

2. The qualification and selection of no fewer than three design-build firms as the most qualified, based on the qualifications, availability, and past work of the firms, including the partners or members thereof.

3. The criteria, procedures, and standards for the evaluation of design-build contract proposals or bids, based on price, technical, and design aspects of the public construction project, weighted for the project.

4. The solicitation of competitive proposals, pursuant to a design criteria package, from those qualified design-build firms and the evaluation of the responses or bids submitted by those firms based on the evaluation criteria and procedures established prior to the solicitation of competitive proposals.

5. For consultation with the employed or retained design criteria professional concerning the evaluation of the responses or bids submitted by the design-build firms, the supervision or approval by the agency of the detailed working drawings of the project; and for evaluation of the compliance of the project construction with the design criteria package by the design criteria professional.

6. In the case of public emergencies, for the agency head to declare an emergency and authorize negotiations with the best qualified design-build firm available at that time.

And the title is amended as follows:

On page 1, lines 2 through 6, remove all of said lines and insert:

An act relating to procurement of personal property and services; creating s. 255.103, F.S.; authorizing local governments to select construction management entities and program management entities; specifying the responsibilities of such entities; providing procedures and requirements with respect to such entities; providing construction of the section; amending s. 287.055, F.S., relating to the acquisition of professional architectural, engineering, landscape architectural, or surveying and mapping services; revising requirements under which a design criteria professional must be selected and contracted with; revising provisions relating to the award of design-build contracts for such services by municipalities, political subdivisions, school districts, and school boards; amending s. 287.057, F.S.; requiring that additional types of contracts by state agencies be procured by competitive solicitation; providing an effective date.

Substitute House Amendment 2 (015527)(with title amendment)—

On page 1, line(s) 24-25, insert:

Section 2. Subsection (1) of section 338.235, Florida Statutes, is amended, and subsection (5) is added to that section, to read:

338.235 Contracts with department for provision of services on the turnpike system.—

(1) *Except as specified in subsection (5),* the department is empowered to contract with any person for the purpose of providing a service on the turnpike system, including those services authorized in s. 338.234, which the department determines is necessary or desirable, and to review and adjust as appropriate the terms, conditions, rates, and charges for use.

(5) The department and the Florida Turnpike Enterprise shall not under any circumstances contract with any vendors for the retail sale of fuel along the Florida Turnpike if such contract is negotiated or bid together with any other contract, including, but not limited to, the retail sale of food, maintenance services or construction, with the exception that any contract of the retail sale of fuel along the Florida Turnpike shall be bid and contracted together with the retail sale of food at any convenience store attached to the fuel station.

And the title is amended as follows:

On page 1, line 6, remove said line and insert:

solicitation; amending s. 338.235, F.S.; prohibiting the department and the Turnpike Enterprise from contracting with vendors for the retail sale of fuel as part of a more comprehensive contract except in certain circumstances; providing an effective date.

On motion by Senator Lawson, the Senate refused to concur in the House amendments to **CS for SB 1976** and the House was requested to recede. The action of the Senate was certified to the House.

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has amended Senate Amendment 1, concurred in the same as amended, and passed CS for HB 7147 as further amended, and requests the concurrence of the Senate.

William S. Pittman III, Chief Clerk

CS for HB 7147—A bill to be entitled An act relating to postsecondary education enhancements; requiring the Office of Program Policy Analysis and Government Accountability to conduct a study of certain enrollment forecasting models; requiring a final report; requiring the Department of Education to conduct a review of certain courses in the statewide course numbering system and update the system as appropriate; requiring a report; requiring nonpublic postsecondary institutions that participate in statewide course numbering to provide certain information in their catalogs; requiring the department's website to include certain information; requiring the department to review certain examinations and recommend articulated acceleration mechanisms; amending s. 1007.33, F.S.; identifying the areas in which community colleges may propose to deliver baccalaureate degree programs; removing requirement that proposal be submitted to the Council for Education Policy Research and Improvement for review; amending s. 1009.25, F.S.; revising provisions relating to the number of and qualifications for community college fee exemptions; amending s. 1011.83, F.S.; providing a residency requirement for funding baccalaureate degree programs at community colleges; providing requirements for funding nonrecurring and recurring costs associated with such programs; limiting per-student funding to a specified percentage of costs associated with state university baccalaureate degree programs; providing certain reporting and funding requirements; amending s. 1009.23, F.S.; providing guidelines and restrictions for setting tuition and out-of-state fees for community college upper-division courses; providing an effective date.

House Amendment 2 (212421) to Senate Amendment 1 (452474)(with title amendment)—

On page 1, line 17, through page 10, line 21, remove all of said lines and insert:

Section 1. *The Office of Economic and Demographic Research shall conduct a study of the higher education enrollment forecasting models currently used in the state. The study must analyze the current models and provide options for improvements. The review shall specifically examine ways to include Florida's changing demographics in the forecasts. A final report with recommendations shall be submitted to the President*

of the Senate and the Speaker of the House of Representatives by February 1, 2008.

Section 2. *(1) The Department of Education shall conduct a comprehensive review of the courses that are listed in the statewide course numbering system to:*

(a) Identify courses that are listed in the system that have not been taught at an institution for the preceding 5 years;

(b) Identify courses of nonpublic postsecondary institutions that may be inappropriately designated as equivalent for purposes of transfer of credit; and

(c) Update the statewide course numbering system as appropriate based on these findings.

(2) The Department of Education shall submit a report of its findings and actions to the President of the Senate and the Speaker of the House of Representatives by February 1, 2008.

(3) Notwithstanding any other provision of law or rule to the contrary, any nonpublic postsecondary institution, as a condition of initial or continued participation in the statewide course numbering system, shall identify in all of its catalogs, printed or electronic, the specific courses offered by the institution that are included in the statewide course numbering system.

(4) No later than July 1, 2008, the Department of Education shall develop and maintain on the department's website a listing of all courses in the statewide course numbering system and the institutions that offer each course. The listing shall be available to the public. Each institution that participates in the statewide course numbering system shall include in all of its catalogs, printed or electronic, a statement advising the reader of the website address and its use as a resource for information on the transferability of credits to other Florida institutions.

Section 3. *(1) It is the intent of the Legislature to proactively shape Florida's economic future through the collaboration of business, industry, and educational partners. The Legislature recognizes that Florida's economic prosperity is dependent on tightly aligning educational outputs and outcomes with economic demands in order to shape the future economy of the state. The Legislature further agrees with national and state experts in their assessment that education will continue to play an instrumental role in Florida's ability to compete in the 21st century global economy and that inevitable demographic changes necessitate a collaborative and comprehensive prekindergarten-20 dialogue between educational and industry experts in order to define and recommend aligned solutions. Therefore, the Legislature intends to establish a formal business and education collaborative to perform activities and make recommendations to legislative and state policy boards toward defining and attaining Florida's economic goals.*

(2) The Florida Business and Education Collaborative is established as a state-level advisory group to the Governor; the Legislature; the State Board of Education; the Board of Governors of the State University System; boards of independent colleges, universities, and career schools; and other interested parties.

(a) Members of the collaborative shall be appointed by the Governor and shall include state business leaders; state legislative members; representative leaders of state and nonpublic community colleges, colleges, universities, career schools, and workforce education institutions and entities; and national education and economic development policy leaders.

(b) The collaborative shall have as a primary objective the promotion of strategies in public and private postsecondary education that are aligned with economic development goals.

(c) Responsibilities of the collaborative shall include, but not be limited to:

1. Collaboration with appropriate state entities to assess the degree of alignment of postsecondary education programmatic offerings and graduation outcomes with Florida's current and future economic development needs and goals, particularly in targeted occupational areas.

2. Recommendations concerning measurable performance outcomes, trends, standards, and targets for achievement of state goals related to workforce skills, education disciplines and outcomes, and research and development capacity.

3. Recommendations concerning funding approaches to align educational outputs to Florida's economic priorities, including performance funding and contracting mechanisms.

(d) The collaborative shall annually report its findings and recommendations to the State Board of Education, the Board of Governors, the Executive Office of the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 31.

Section 4. *The Office of Program Policy Analysis and Government Accountability (OPPAGA) shall conduct a study of the implementation of existing articulation policies and identify any current practices that may serve as unnecessary barriers or impediments to the effective progression and transfer of students within the education system and to the progress of students in completing their educational objectives as rapidly as their circumstances permit. The study shall review the implementation of statewide course numbering credit transfer policies, including the extent to which institutions fail to award credit for courses designated as equivalent, and recommend remediation efforts to resolve this matter. The study shall also review implementation of policies relating to the award of credit associated with approved articulated acceleration mechanisms and the extent to which credit received through acceleration mechanisms may be used to meet general education or other graduation requirements. The study shall also examine how students are notified about whether the credit they receive will apply toward graduation requirements. The study shall identify inconsistencies in implementation of articulation policies and assess the impact of such inconsistencies on a student's ability to complete his or her program in a more timely manner, on the cost to a student of completing his or her program, and on the cost to the state. The study shall also examine the effectiveness of the articulation accountability process established pursuant to s. 1008.38, Florida Statutes. A final report with recommendations shall be submitted to the President of the Senate and the Speaker of the House of Representatives by February 1, 2008.*

Section 5. Subsection (3) is added to section 267.062, Florida Statutes, to read:

267.062 Naming of state buildings and other facilities.—

(3) Notwithstanding the provisions of subsection (1) or s. 1013.79(11), any state building, road, bridge, park, recreational complex, or other similar facility of a state university may be named for a living person by the university board of trustees in accordance with rules adopted by the Board of Governors of the State University System.

Section 6. Subsection (15) is added to section 1001.03, Florida Statutes, to read:

1001.03 Specific powers of State Board of Education.—

(15) COMMUNITY COLLEGE BACCALAUREATE DEGREE PROGRAMS.—The State Board of Education shall provide for the review and approval of proposals by community colleges to offer baccalaureate degree programs pursuant to s. 1007.33. A community college, as defined in s. 1000.21, that is approved to offer baccalaureate degrees pursuant to s. 1007.33 remains under the authority of the State Board of Education and the community college's board of trustees.

Section 7. Subsection (3) of section 1007.33, Florida Statutes, is amended to read:

1007.33 Site-determined baccalaureate degree access.—

(3)*(a)* A community college may develop a proposal to deliver specified baccalaureate degree programs in its district to meet local workforce needs. *A community college may also develop proposals to deliver baccalaureate degree programs in math and science which would prepare graduates to enter a teaching position in math or science.*

(b) The *community college's* proposal must be submitted to the State Board of Education for approval.

(c) The community college's proposal must include the following information:

1.~~(a)~~ Demand for the baccalaureate degree program is identified by the workforce development board, local businesses and industry, local chambers of commerce, and potential students.

2.~~(b)~~ Unmet need for graduates of the proposed degree program is substantiated.

3.~~(c)~~ The community college has the facilities and academic resources to deliver the program.

(d) A community college that plans to submit a proposal pursuant to this subsection shall submit notice of its intent to the State Board of Education, including a brief description of the program that will be proposed and an estimated timeframe for implementation, at least 90 days prior to submitting the proposal. The State Board of Education shall advise state universities and each regionally accredited private college and university that is chartered in and has its primary campus located in the state of the community college's notice of intent. State universities shall have 60 days to submit an alternative proposal to offer the baccalaureate degree program on the community college campus. If the state board does not receive a proposal from a state university within the 60-day time period or if the university proposal is not approved, the state board shall provide the regionally accredited private colleges and universities 30 days to submit an alternative proposal. An alternative proposal must adequately address:

1. The extent to which students will be able to complete the degree in the community college district.

2. The level of financial commitment of the college or university to the development, implementation, and maintenance of the specified degree program, including timelines.

3. The extent to which faculty at both the community college and the college or university will collaborate in the development and offering of the curriculum.

4. The ability of the community college and the college or university to develop and approve the curriculum for the specified degree program within 6 months after an agreement between the community college and the college or university is signed.

5. The extent to which the student may incur additional costs above what the student would expect to incur if the program were offered by the community college.

(e) The State Board of Education must consider the alternative proposals in making its decision to approve or deny a community college's proposal.

(f) If no alternative proposal is received or approved and the State Board of Education determines that a community college proposal is deficient, the state board must notify the community college of the deficiencies in writing and provide the community college the opportunity to correct the deficiencies.

(g) ~~The proposal must be submitted to the Council for Education Policy Research and Improvement for review and comment.~~ Upon approval of the State Board of Education for the specific degree program or programs, the community college shall pursue regional accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools.

(h) Any additional baccalaureate degree programs the community college wishes to offer must be approved by the State Board of Education.

(i) Approval by the State Board of Education of a community college proposal to deliver a specified baccalaureate degree program does not alter the governance relationship of the community college with its local board of trustees or the State Board of Education.

Section 8. Subsections (1) and (2) of section 1009.23, Florida Statutes, are amended to read:

1009.23 Community college student fees.—

(1) Unless otherwise provided, ~~the provisions of~~ this section *applies* ~~apply~~ only to fees charged for college credit instruction leading to an associate in arts degree, an associate in applied science degree, ~~or~~ an associate in science degree*, or a baccalaureate degree authorized by the State Board of Education pursuant to s. 1007.33* and *for* noncollege credit college-preparatory courses defined in s. 1004.02.

(2)*(a)* All students shall be charged fees except students who are exempt from fees or students whose fees are waived.

(b) Tuition and out-of-state fees for upper-division courses must reflect the fact that the community college has a less expensive cost structure than that of a state university. Therefore, the board of trustees shall establish tuition and out-of-state fees for upper-division courses in baccalaureate degree programs approved pursuant to s. 1007.33 consistent with law and proviso language in the General Appropriations Act. However, the board of trustees may not vary tuition and out-of-state fees as provided in subsection (4). ~~Identical fees shall be required for all community college resident students within a college who take a specific course, regardless of the program in which they are enrolled.~~

Section 9. Section 1011.83, Florida Statutes, is amended to read:

1011.83 Financial support of community colleges.—

(1) Each community college that has been approved by the Department of Education and meets the requirements of law and rules of the State Board of Education shall participate in the Community College Program Fund. However, funds to support workforce education programs conducted by community colleges shall be provided pursuant to s. 1011.80.

(2) Funding for baccalaureate degree programs approved pursuant to s. 1007.33 shall be specified in the General Appropriations Act. A student in a baccalaureate degree program approved pursuant to s. 1007.33 who is not classified as a resident for tuition purposes pursuant to s. 1009.21 may not be included in calculations of full-time equivalent enrollments for state funding purposes.

(3) Funds specifically appropriated by the Legislature for baccalaureate degree programs approved pursuant to s. 1007.33 may be used only for such programs. A community college shall fund the nonrecurring costs related to the initiation of a new baccalaureate degree program under s. 1007.33 without new state appropriations unless special grant funds are appropriated in the General Appropriations Act. A new baccalaureate degree program may not accept students without a recurring legislative appropriation for this purpose.

(4) State policy for funding baccalaureate degree programs approved pursuant to s. 1007.33 shall be to limit state support for recurring operating purposes to no more than 85 percent of the amount of state expenditures for direct instruction per credit hour in upper-level state university programs. A community college may temporarily exceed this limit due to normal enrollment fluctuations or unforeseeable circumstances or while phasing in new programs. This subsection does not authorize the Department of Education to withhold legislative appropriations to any community college.

(5) A community college that grants baccalaureate degrees shall maintain reporting and funding distinctions between any baccalaureate degree program approved under s. 1007.33 and any other baccalaureate degree programs involving traditional concurrent-use partnerships.

Section 10. Section 1012.82, Florida Statutes, is amended to read:

1012.82 Teaching faculty; minimum teaching hours per week.—Each full-time member of the teaching faculty at any community college who is paid wholly from funds appropriated from the community college program fund *or from funds appropriated for community college baccalaureate degree programs* shall teach a minimum of 15 classroom contact hours per week at such institution. However, the required classroom contact hours per week may be reduced upon approval of the president of the institution in direct proportion to specific duties and responsibilities assigned the faculty member by his or her departmental chair or other appropriate college administrator. Such specific duties may include specific research duties, specific duties associated with developing television, video tape, or other specifically assigned innovative teaching techniques or devices, or assigned responsibility for off-campus student internship or work-study programs. A "classroom contact hour" consists of a regularly scheduled classroom activity of not less than 50 minutes in a course of instruction which has been approved by the community

college board of trustees. Any full-time faculty member who is paid partly from community college program funds and partly from other funds or appropriations shall teach a minimum number of classroom contact hours per week in such proportion to 15 classroom contact hours as his or her salary paid from community college program funds bears to his or her total salary. *Any full-time faculty member who is paid partly from funds appropriated for community college baccalaureate degree programs and partly from other funds or appropriations shall teach a minimum number of classroom contact hours per week in such proportion to 15 classroom contact hours as his or her salary paid from funds appropriated for community college baccalaureate degree programs bears to his or her total salary.*

Section 11. This act shall take effect upon becoming a law.

And the title is amended as follows:

On page 10, line 29, through page 12, line 16, remove all of said lines and insert:

A bill to be entitled An act relating to postsecondary education; requiring the Office of Economic and Demographic Research to conduct a study of certain enrollment forecasting models; requiring a report; requiring the Department of Education to conduct a review of certain courses in the statewide course numbering system and update the system as appropriate; requiring a report; requiring nonpublic postsecondary institutions that participate in statewide course numbering to provide certain information in their catalogs; requiring the department's website to include certain information; providing legislative intent; establishing the Florida Business and Education Collaborative; providing membership and responsibilities; requiring annual reports; requiring a study by the Office of Program Policy Analysis and Government Accountability relating to articulation policies and practices; requiring a report; amending s. 267.062, F.S.; authorizing the naming of certain state university facilities for a living person under certain circumstances; amending s. 1001.03, F.S.; providing State Board of Education responsibilities with respect to community college baccalaureate degree programs; amending s. 1007.33, F.S.; revising provisions relating to community college submission of proposals to deliver baccalaureate degree programs; requiring notice of intent and opportunity for alternative proposals by certain institutions; amending s. 1009.23, F.S.; providing guidelines and restrictions for setting tuition and out-of-state fees for community college upper-division courses; amending s. 1011.83, F.S.; providing a residency requirement for funding baccalaureate degree programs at community colleges; providing requirements for funding nonrecurring and recurring costs associated with such programs; limiting per-student funding to a specified percentage of costs associated with state university baccalaureate degree programs; providing certain reporting and funding requirements; amending s. 1012.82, F.S.; providing minimum teaching hour requirements for faculty paid from funds appropriated for community college baccalaureate degree programs; providing an effective date.

On motion by Senator Lynn, the Senate concurred in the House amendment to the Senate amendment.

CS for HB 7147 passed as amended and the action of the Senate was certified to the House. The vote on passage was:

Yeas—39

Mr. President	Dockery	Margolis
Alexander	Fasano	Oelrich
Aronberg	Gaetz	Peaden
Atwater	Garcia	Posey
Baker	Geller	Rich
Bennett	Haridopolos	Ring
Bullard	Hill	Saunders
Carlton	Jones	Siplin
Constantine	Joyner	Storms
Crist	Justice	Villalobos
Dawson	King	Webster
Deutch	Lawson	Wilson
Diaz de la Portilla	Lynn	Wise

Nays—None

BILLS ON THIRD READING

Consideration of **CS for CS for SB 2250** was deferred.

HB 7203—A bill to be entitled An act relating to growth management; amending s. 163.3164, F.S.; revising definitions; amending s. 163.3177, F.S.; revising certain criteria and requirements for elements of comprehensive plans; providing criteria for determining financial feasibility of comprehensive plans; amending s. 163.3180, F.S.; revising application of concurrency requirements to public transit facilities; revising certain transportation concurrency requirements relating to concurrency exception areas, developments of regional impact, and schools; providing application to Florida Quality Developments and certain areas; revising proportionate fair-share mitigation criteria; creating s. 163.3182, F.S.; providing for the creation of transportation concurrency backlog authorities; providing definitions; providing powers and responsibilities of such authorities; providing for transportation concurrency backlog plans; providing for the issuance of revenue bonds for certain purposes; providing for the establishment of a local trust fund within each county or municipality with an identified transportation concurrency backlog; providing exemptions from transportation concurrency requirements; providing for the satisfaction of concurrency requirements; providing for dissolution of transportation concurrency backlog authorities; amending s. 163.3187, F.S.; revising a criterion for application of amendments to certain small scale developments; amending s. 163.3191, F.S.; providing for nonapplication of a prohibition against certain proposed plan amendments to allow for integration of a port master plan in the coastal management plan element under certain conditions; amending s. 163.3229, F.S.; extending a time limitation on duration of development agreements; creating s. 163.32465, F.S.; providing for a pilot program to provide a plan review process for certain densely developed areas; providing legislative findings; providing for exempting certain local governments from compliance review by the state land planning agency; authorizing certain municipalities to not participate in the program; providing procedures and requirements for adopting comprehensive plan amendments in such areas; requiring public hearings; providing hearing requirements; providing requirements for local government transmittal of proposed plan amendments; providing for intergovernmental review; providing for regional, county, and municipal review; providing requirements for local government review of certain comments; providing requirements for adoption and transmittal of plan amendments; providing procedures and requirements for challenges to compliance of adopted plan amendments; providing for administrative hearings; providing for applicability of program provisions; requiring the Office of Program Policy Analysis and Governmental Accountability to evaluate the pilot program and prepare and submit a report to the Governor and Legislature; providing report requirements; establishing four full-time equivalent planning positions; providing an appropriation; amending s. 380.06, F.S.; extending development-of-regional-impact phase and buildout dates for certain projects under construction; providing that such extensions are not substantial deviations and do not subject such projects to further review; providing an effective date.

—was read the third time by title.

RECONSIDERATION OF AMENDMENT

On motion by Senator Garcia, the Senate reconsidered the vote by which **Amendment 1 (113368)** as amended was adopted May 2.

Senator Garcia moved the following amendments to **Amendment 1** which were adopted by two-thirds vote:

Amendment 1L (635780)—On page 9, delete line 12 and insert: ~~multiuse~~ development of regional impact may satisfy the

Amendment 1M (084130)—On page 13, lines 20-23, delete those lines and insert: improvements element update. *The funding of any improvements that significantly benefit the impacted transportation system satisfies concurrency requirements as a mitigation of the development's impact upon the overall transportation system even if there remains a failure of concurrency on other impacted facilities.*

Senator Saunders moved the following amendment to **Amendment 1** which was adopted by two-thirds vote:

Amendment 1N (375324)(with title amendment)—On page 15, between lines 14 and 15, insert:

Section 6. *The Community Workforce Housing Innovation Pilot Program created under s. 420.5095, Florida Statutes, shall be known as the "Representative Mike Davis Community Workforce Housing Innovation Pilot Program."*

(Redesignate subsequent sections.)

And the title is amended as follows:

On page 16, line 28, after the semicolon (;) insert: designating the Community Workforce Housing Innovation Pilot Program as the "Representative Mike Davis Community Workforce Housing Innovation Pilot Program";

MOTION

On motion by Senator Garcia, the rules were waived to allow the following amendment to be considered:

Senator Carlton offered the following amendment to **Amendment 1** which was moved by Senator Garcia and adopted by two-thirds vote:

Amendment 1O (552686)(with title amendment)—On page 15, between lines 14 and 15, insert:

Section 6. *For the purpose of implementing Specific Appropriation 1661A of the 2007-2008 General Appropriations Act, the Department of Community Affairs may use expedited rulemaking authority in order to implement the distribution of the Local Update Census Addresses (LUCA) technical assistance grants.*

(Redesignate subsequent sections.)

And the title is amended as follows:

On page 16, line 28, following the semicolon (;) insert: providing rulemaking authority to the Department of Community Affairs;

MOTION

On motion by Senator Gaetz, the rules were waived to allow the following amendment to be considered:

Senator Gaetz moved the following amendment to **Amendment 1** which was adopted by two-thirds vote:

Amendment 1P (054662)(with title amendment)—On page 6, lines 16-18, delete those lines and insert:

Section 3. Paragraph (b) of subsection (4) and subsections (5), (12), and (16) of section 163.3180, Florida Statutes, are amended to read:

163.3180 Concurrency.—

(4)

(b) The concurrency requirement as implemented in local comprehensive plans does not apply to public transit facilities. For the purposes of this paragraph, public transit facilities include transit stations and terminals*;* ~~,~~ transit station parking*;* ~~,~~ park-and-ride lots*;* ~~,~~ intermodal public transit connection or transfer facilities*;* ~~, and~~ fixed bus, guideway, and rail stations*; and airport passenger terminals and concourses, air cargo facilities, and hangars for the maintenance or storage of aircraft*. As used in this paragraph, the terms "terminals" and "transit facilities" do not include ~~airports or~~ seaports or commercial or residential development constructed in conjunction with a public transit facility.

And the title is amended as follows:

On page 16, line 8, after the second semicolon (;) insert: providing an exception from concurrency requirements for certain airport facilities;

RECONSIDERATION OF AMENDMENT

On motion by Senator Bennett, the Senate reconsidered the vote by which **Amendment 1K (210308)** was adopted May 2.

Senator Bennett moved the following substitute for **Amendment 1K** which was adopted by two-thirds vote:

Amendment 1Q (091480)(with directory and title amendments)—On page 11, between lines 2 and 3, insert:

(13) School concurrency shall be established on a districtwide basis and shall include all public schools in the district and all portions of the district, whether located in a municipality or an unincorporated area unless exempt from the public school facilities element pursuant to s. 163.3177(12). The application of school concurrency to development shall be based upon the adopted comprehensive plan, as amended. All local governments within a county, except as provided in paragraph (f), shall adopt and transmit to the state land planning agency the necessary plan amendments, along with the interlocal agreement, for a compliance review pursuant to s. 163.3184(7) and (8). The minimum requirements for school concurrency are the following:

(e) Availability standard.—Consistent with the public welfare, a local government may not deny an application for site plan, final subdivision approval, or the functional equivalent for a development or phase of a development authorizing residential development for failure to achieve and maintain the level-of-service standard for public school capacity in a local school concurrency management system where adequate school facilities will be in place or under actual construction within 3 years after the issuance of final subdivision or site plan approval, or the functional equivalent. School concurrency *is* ~~shall be~~ satisfied if the developer executes a legally binding commitment to provide mitigation proportionate to the demand for public school facilities to be created by actual development of the property, including, but not limited to, the options described in subparagraph 1. Options for proportionate-share mitigation of impacts on public school facilities *must* ~~shall~~ be established in the public school facilities element and the interlocal agreement pursuant to s. 163.31777.

1. Appropriate mitigation options include the contribution of land; the construction, expansion, or payment for land acquisition or construction of a public school facility; or the creation of mitigation banking based on the construction of a public school facility in exchange for the right to sell capacity credits. Such options must include execution by the applicant and the local government of a ~~binding~~ development agreement that constitutes a legally binding commitment to pay proportionate-share mitigation for the additional residential units approved by the local government in a development order and actually developed on the property, taking into account residential density allowed on the property prior to the plan amendment that increased *the* overall residential density. The district school board *must* ~~shall~~ be a party to such an agreement. As a condition of its entry into such a development agreement, the local government may require the landowner to agree to continuing renewal of the agreement upon its expiration.

2. If the education facilities plan and the public educational facilities element authorize a contribution of land; the construction, expansion, or payment for land acquisition; or the construction or expansion of a public school facility, or a portion thereof, as proportionate-share mitigation, the local government shall credit such a contribution, construction, expansion, or payment toward any other impact fee or exaction imposed by local ordinance for the same need, on a dollar-for-dollar basis at fair market value.

3. Any proportionate-share mitigation must be directed by the school board toward a school capacity improvement identified in a financially feasible 5-year district work plan *that* ~~and which~~ satisfies the demands created by *the* ~~that~~ development in accordance with a binding developer's agreement.

4. If a development is precluded from commencing because there is inadequate classroom capacity to mitigate the impacts of the development, the development may nevertheless commence if there are accelerated facilities in an approved capital improvement element scheduled for construction in year four or later of such plan which, when built, will mitigate the proposed development, or if such accelerated facilities will be in the next annual update of the capital facilities element, the developer enters into a binding, financially guaranteed agreement with the school district to construct an accelerated facility within the first 3 years of an approved capital improvement plan, and the cost of the school facility is equal to or greater than the development's proportionate share. When the completed school facility is conveyed to the school district, the developer shall receive impact fee credits usable within the zone where the facility is constructed or any attendance zone contiguous with or adjacent to the zone where the facility is constructed.

5. ~~4.~~ This paragraph does not limit the authority of a local government to deny a development permit or its functional equivalent pursuant to its home rule regulatory powers, except as provided in this part.

And the directory clause is amended as follows:

On page 6, line 16, delete that line and insert:

Section 3. Subsections (5) and (12), paragraph (e) of subsection (13), and subsection (16) of section

And the title is amended as follows:

On page 16, line 17, after the semicolon (;) insert: revising the availability standard for achieving school concurrency; authorizing a development to proceed under certain circumstances;

RECONSIDERATION OF AMENDMENT

On motion by Senator Garcia, the Senate reconsidered the vote by which **Amendment 1C (943812)** was adopted May 2.

Senators Garcia and Webster offered the following substitute for **Amendment 1C** which was moved by Senator Garcia and adopted by two-thirds vote:

Amendment 1R (051068)(with title amendment)—On page 15, between lines 14 and 15, insert:

Section 6. Section 163.32465, Florida Statutes, is created to read:

163.32465 State review of local comprehensive plans in urban areas.—

(1) LEGISLATIVE FINDINGS.—

(a) The Legislature finds that local governments in this state have a wide diversity of resources, conditions, abilities, and needs. The Legislature also finds that the needs and resources of urban areas are different from those of rural areas and that different planning and growth management approaches, strategies, and techniques are required in urban areas. The state role in overseeing growth management should reflect this diversity and should vary based on local government conditions, capabilities, needs, and extent of development. Thus, the Legislature recognizes and finds that reduced state oversight of local comprehensive planning is justified for some local governments in urban areas.

(b) The Legislature finds and declares that this state's urban areas require a reduced level of state oversight because of their high degree of urbanization and the planning capabilities and resources of many of their local governments. An alternative state review process that is adequate to protect issues of regional or statewide importance should be created for appropriate local governments in these areas. Further, the Legislature finds that development, including urban infill and redevelopment, should be encouraged in these urban areas. The Legislature finds that an alternative process for amending local comprehensive plans in these areas should be established with an objective of streamlining the process and recognizing local responsibility and accountability.

(c) The Legislature finds a pilot program will be beneficial in evaluating an alternative, expedited plan amendment adoption and review process. Pilot local governments shall represent highly developed counties and the municipalities within these counties and highly populated municipalities.

(2) ALTERNATIVE STATE REVIEW PROCESS PILOT PROGRAM.—Pinellas and Broward Counties, and the municipalities within these counties, and Jacksonville, Miami, Tampa, and Hialeah, shall follow an alternative state review process provided in this section. Municipalities within the pilot counties may elect, by super majority vote of the governing body, not to participate in the pilot program.

(3) PROCESS FOR ADOPTION OF COMPREHENSIVE PLAN AMENDMENTS UNDER THE PILOT PROGRAM.—

(a) Plan amendments adopted by the pilot program jurisdictions shall follow the alternate, expedited process in subsections (4) and (5), except as set forth in paragraphs (b) through (e) of this subsection.

(b) Amendments that qualify as small-scale development amendments may continue to be adopted by the pilot program jurisdictions pursuant to ss. 163.3187(1)(c) and (3).

(c) Plan amendments that propose a rural land stewardship area pursuant to s. 163.3177(11)(d); propose an optional sector plan; update a comprehensive plan based on an evaluation and appraisal report; implement new statutory requirements; or new plans for newly incorporated municipalities are subject to state review as set forth in s. 163.3184.

(d) Pilot program jurisdictions shall be subject to the frequency and timing requirements for plan amendments set forth in ss. 163.3187 and 163.3191, except where otherwise stated in this section.

(e) The mediation and expedited hearing provisions in s. 163.3189(3) apply to all plan amendments adopted by the pilot program jurisdictions.

(4) INITIAL HEARING ON COMPREHENSIVE PLAN AMENDMENT FOR PILOT PROGRAM.—

(a) The local government shall hold its first public hearing on a comprehensive plan amendment on a weekday at least seven days after the day the first advertisement is published pursuant to the requirements of chapters 125 or 166. Upon an affirmative vote of not less than a majority of the members of the governing body present at the hearing, the local government shall immediately transmit the amendment or amendments and appropriate supporting data and analyses to the state land planning agency; the appropriate regional planning council and water management district; the Department of Environmental Protection; the Department of State; the Department of Transportation; in the case of municipal plans, to the appropriate county; the Fish and Wildlife Conservation Commission; the Department of Agriculture and Consumer Services; and in the case of amendments that include or impact the public school facilities element, the Office of Educational Facilities of the Commissioner of Education. The local governing body shall also transmit a copy of the amendments and supporting data and analyses to any other local government or governmental agency that has filed a written request with the governing body.

(b) The agencies and local governments specified in paragraph (a) may provide comments regarding the amendment or amendments to the local government. The regional planning council review and comment shall be limited to effects on regional resources or facilities identified in the strategic regional policy plan and extrajurisdictional impacts that would be inconsistent with the comprehensive plan of the affected local government. A regional planning council shall not review and comment on a proposed comprehensive plan amendment prepared by such council unless the plan amendment has been changed by the local government subsequent to the preparation of the plan amendment by the regional planning council. County comments on municipal comprehensive plan amendments shall be primarily in the context of the relationship and effect of the proposed plan amendments on the county plan. Municipal comments on county plan amendments shall be primarily in the context of the relationship and effect of the amendments on the municipal plan. State agency comments may include technical guidance on issues of agency jurisdiction as it relates to the requirements of this part. Such comments shall clearly identify issues that, if not resolved, may result in an agency challenge to the plan amendment. For the purposes of this pilot program, agencies are encouraged to focus potential challenges on issues of regional or statewide importance. Agencies and local governments must transmit their comments to the affected local government such that they are received by the local government not later than thirty days from the date on which the agency or government received the amendment or amendments.

(5) ADOPTION OF COMPREHENSIVE PLAN AMENDMENT FOR PILOT AREAS.—

(a) The local government shall hold its second public hearing, which shall be a hearing on whether to adopt one or more comprehensive plan amendments, on a weekday at least five days after the day the second advertisement is published pursuant to the requirements of chapters 125 or 166. Adoption of comprehensive plan amendments must be by ordinance and requires an affirmative vote of a majority of the members of the governing body present at the second hearing.

(b) All comprehensive plan amendments adopted by the governing body along with the supporting data and analysis shall be transmitted within ten days of the second public hearing to the state land planning agency and any other agency or local government that provided timely comments under subsection 4(b).

(6) ADMINISTRATIVE CHALLENGES TO PLAN AMENDMENTS FOR PILOT PROGRAM.—

(a) Any "affected person" as defined in s. 163.3184(1)(a) may file a petition with the Division of Administrative Hearings pursuant to ss. 120.569 and 120.57, with a copy served on the affected local government, to request a formal hearing to challenge whether the amendments are "in compliance" as defined in s. 163.3184(1)(b). This petition must be filed with the Division within 30 days after the local government adopts the amendment. The state land planning may intervene in a proceeding instituted by an affected person.

(b) The state land planning agency may file a petition with the Division of Administrative Hearings pursuant to ss. 120.569 and 120.57, with a copy served on the affected local government, to request a formal hearing. This petition must be filed with the Division within 30 days after the state land planning agency notifies the local government that the plan amendment package is complete. For purposes of this section, an amendment shall be deemed complete if it contains a full, executed copy of the adoption ordinance or ordinances; in the case of a text amendment, a full copy of the amended language in legislative format with new words inserted in the text underlined, and words to be deleted lined through with hyphens; in the case of a future land use map amendment, a copy of the future land use map clearly depicting the parcel, its existing future land use designation, and its adopted designation; and a copy of any data and analyses the local government deems appropriate. The state land planning agency shall notify the local government of any deficiencies within five working days of receipt of amendment package.

(c) The state land planning agency's challenge shall be limited to those issues raised in the comments provided by the reviewing agencies pursuant to subsection (4)(b). The state land planning agency may challenge a plan amendment that has substantially changed from the version on which the agencies provided comments. For the purposes of this pilot program, the Legislature strongly encourages the state land planning agency to focus any challenge on issues of regional or statewide importance.

(d) An administrative law judge shall hold a hearing in the affected local jurisdiction. The local government's determination that the amendment is "in compliance" is presumed to be correct and shall be sustained unless it is shown by a preponderance of the evidence that the amendment is not "in compliance."

(e) If the administrative law judge recommends that the amendment be found not in compliance, the judge shall submit the recommended order to the Administration Commission for final agency action. The Administration Commission shall enter a final order within 45 days after its receipt of the recommended order.

(f) If the administrative law judge recommends that the amendment be found in compliance, the judge shall submit the recommended order to the state land planning agency.

1. If the state land planning agency determines that the plan amendment should be found not in compliance, the agency shall refer, within 30 days of receipt of the recommended order, the recommended order and its determination to the Administration Commission for final agency action. If the commission determines that the amendment is not in compliance, it may sanction the local government as set forth in s. 163.3184(11).

2. If the state land planning agency determines that the plan amendment should be found in compliance, the agency shall enter its final order not later than 30 days from receipt of the recommended order.

(g) An amendment adopted under the expedited provisions of this section shall not become effective until 31 days after adoption. If timely challenged, an amendment shall not become effective until the state land planning agency or the Administration Commission enters a final order determining the adopted amendment to be in compliance.

(h) Parties to a proceeding under this section may enter into compliance agreements using the process in s. 163.3184(16). Any remedial amendment adopted pursuant to a settlement agreement shall be provided to the agencies and governments listed in paragraph (4)(a).

(7) APPLICABILITY OF PILOT PROGRAM IN CERTAIN LOCAL GOVERNMENTS.—Local governments and specific areas that have been designated for alternate review process pursuant to ss. 163.3246 and 163.3184(17) and (18) are not subject to this section.

(8) RULEMAKING AUTHORITY FOR PILOT PROGRAM.—Agencies shall not promulgate rules to implement this pilot program.

(9) REPORT.—The Office of Program Policy Analysis and Government Accountability shall submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 1, 2008, a report and recommendations for implementing a statewide program that addresses the legislative findings in subsection (1) in areas that meet urban criteria. The Office of Program Policy Analysis and Government Accountability in consultation with the state land planning agency shall develop the report and recommendations with input from other state and regional agencies, local governments and interest groups. Additionally, the office shall review local and state actions and correspondence relating to the pilot program to identify issues of process and substance in recommending changes to the pilot program. At a minimum, the report and recommendations shall include the following:

(a) Identification of local governments beyond those participating in the pilot program that should be subject to the alternative expedited state review process. The report may recommend that pilot program local governments may no longer be appropriate for such alternative review process.

(b) Changes to the alternative expedited state review process for local comprehensive plan amendments identified in the pilot program.

(c) Criteria for determining issues of regional or statewide importance that are to be protected in the alternative state review process.

(d) In preparing the report and recommendations, the Office of Program Policy Analysis and Government Accountability shall consult with the state land planning agency, the Department of Transportation, the Department of Environmental Protection, and the regional planning agencies in identifying highly developed local governments to participate in the alternative expedited state review process. The Office of Program Policy Analysis and Governmental Accountability shall also solicit citizen input in the potentially affected areas and consult with the affected local governments, and stakeholder groups.

Section 7. *There is established four full-time equivalent planning positions and appropriated rate in the amount of $220,000 and salary budget authority in the amount of $326,620 from the Grants and Donations Trust Fund in the Division of Community Planning for the purposes of providing technical assistance and advice to state and local governments in their ability to respond to growth-related issues, and to ensure compliance with chapter 163 comprehensive planning issues.*

(Redesignate subsequent sections.)

And the title is amended as follows:

On page 16, line 28, after the semicolon (;) insert: creating s. 163.32465, F.S.; providing for a pilot program to provide a plan review process for certain densely developed areas; providing legislative findings; providing for exempting certain local governments from compliance review by the state land planning agency; authorizing certain municipalities to not participate in the program; providing procedures and requirements for adopting comprehensive plan amendments in such areas; requiring public hearings; providing hearing requirements; providing requirements for local government transmittal of proposed plan amendments; providing for intergovernmental review; providing for regional, county, and municipal review; providing requirements for local government review of certain comments; providing requirements for adoption and transmittal of plan amendments; providing procedures and requirements for challenges to compliance of adopted plan amendments; providing for administrative hearings; providing for applicability of program provisions; requiring the Office of Program Policy Analysis and Governmental Accountability to evaluate the pilot program and prepare and submit a report to the Governor and Legislature; providing report requirements; establishing four full-time equivalent planning positions; providing an appropriation;

Amendment 1 as amended was adopted by two-thirds vote.

On motion by Senator Garcia, **HB 7203** as amended was passed and certified to the House. The vote on passage was:

Yeas—34

Mr. President	Atwater	Bennett
Alexander	Baker	Bullard

Carlton	Haridopolos	Rich
Constantine	Hill	Ring
Crist	Jones	Saunders
Dawson	King	Siplin
Deutch	Lawson	Villalobos
Diaz de la Portilla	Lynn	Webster
Fasano	Margolis	Wilson
Gaetz	Oelrich	Wise
Garcia	Peaden	
Geller	Posey	

Nays—5

Aronberg	Joyner	Storms
Dockery	Justice	

Vote after roll call:

Yea to Nay—Bullard

Consideration of **CS for CS for CS for CS for SB 2804** and **CS for SB 2544** was deferred.

On motion by Senator Storms, by two-thirds vote **CS for HB 1497** was withdrawn from the Committees on Health Regulation; and Judiciary.

On motion by Senator Storms, the rules were waived and by two-thirds vote—

CS for HB 1497—A bill to be entitled An act relating to abortion; amending s. 390.0111, F.S.; clarifying the requirement that third trimester abortions be performed in a hospital; providing for disciplinary action for violation of specified provisions; requiring an ultrasound be performed on any woman obtaining an abortion; specifying who must perform an ultrasound; providing that the ultrasound must be reviewed with the patient prior to the woman giving informed consent; specifying who must review the ultrasound with the patient; providing that the woman must certify in writing that she declined to review the ultrasound and did so of her own free will and without undue influence; providing an exemption to view the ultrasound for women who are the victims of rape, incest, domestic violence, or human trafficking or for women who have a serious medical condition necessitating the abortion; revising requirements for written materials; providing ban on physicians seeking waivers of patients' rights to file complaints with regulatory bodies or litigate causes of action; requiring a 24-hour waiting period before a physician may perform or induce an abortion on an adult or on certain minor patients; providing for exception in the case of a medical emergency; creating s. 390.01112, F.S.; providing for a women's reproductive bill of rights; requiring abortion clinics and physician abortion providers to adopt a public statement of patients' rights and to treat patients in accordance with that statement; providing for required provisions in the statement to patients; requiring clinics and physician abortion providers to provide the information in their statement orally and in writing to patients or their court-appointed guardians; requiring that the statements be provided to staff members; requiring staff training; providing for disciplinary action for violation of patients' bill of rights; providing for immunity to persons filing complaints or testifying in proceedings, subject to certain conditions; creating s. 390.01113, F.S.; creating a private civil action against clinics, nurses, or physicians or violation of a patients' rights; providing persons who may file a cause of action; providing venue; providing for actual and punitive damages; providing for recovery of attorney's fees under certain circumstances; providing criteria for recovering attorney's fees; providing that a cause of action under this section is not a claim for medical malpractice; providing basis for punitive damages and exemptions from other provisions of law governing punitive damages; amending s. 390.01114, F.S.; revising provisions relating to parental notice of abortion; providing exceptions; providing for a cause of action under certain circumstances for parents who do not receive notice; providing for damages for cause of action; requiring appointment of a guardian ad litem for a minor petitioning for a waiver of the notice requirements; specifying factors to be considered in determining whether a minor is sufficiently mature to waive the notice requirements; revising provisions relating to confidentiality of hearings; creating s. 390.01117, F.S.; providing for a cause of action in negligence for any injury or death a patient suffers as a result of an abortion; providing for who may bring a cause of action; providing for survival and wrongful death damages if the patient dies; providing for venue; providing for actual and punitive damages; providing for attorney's fees to prevailing party under certain circumstances; providing that remedies are in addition to any other remedies provided for in law; providing criteria for award of attorney's fees; providing burden of proof; providing that a cause of action is not strict liability; providing for legal duties and standards of care for clinics, physicians, or nurses; providing that cause of action under this section is not a medical malpractice claim; providing for exceptions from certain laws; providing standard for award of punitive damages; providing for exceptions from certain laws for punitive damage awards; creating s. 390.01118, F.S.; providing for a statute of limitations and repose for specified causes of action; providing for statute of limitations periods of actions that accrue prior to the effective date of s. 390.01118, F.S.; creating s. 390.01119, F.S.; providing for a misdemeanor of the second degree for fraudulently altering, defacing, or falsifying medical records related to an abortion or for causing any of these offenses; providing for professional licensure actions for the same violations; amending s. 390.012, F.S.; providing that agency rules promulgated shall prohibit the performance of abortions in the third trimester other than in a hospital; requiring that the agency rules provide that a clinic or abortion provider cannot request a patient to waive her rights to sue or file a complaint with a disciplinary body; deleting references to conform; requiring ultrasounds for all patients; requiring that live ultrasound images be reviewed and explained to the patient; providing that the patient may decline to review ultrasound images; providing that any language of the act that could be construed as infringing upon a court's powers shall be construed as a request for rule change; providing for severability; providing an effective date.

—a companion measure, was substituted for **CS for CS for SB 1602** as amended and read the second time by title.

Senator Storms moved the following amendment which was adopted:

Amendment 1 (955878)(with title amendment)—Delete everything after the enacting clause and insert:

Section 1. Subsection (4) of section 390.01114, Florida Statutes, is amended to read:

390.01114 Parental Notice of Abortion Act.—

(4) PROCEDURE FOR JUDICIAL WAIVER OF NOTICE.—

(a) A minor may petition any circuit court in a judicial circuit within the jurisdiction of the District Court of Appeal in which *the minor* ~~she~~ resides for a waiver of the notice requirements of subsection (3) and may participate in proceedings on her own behalf. The petition may be filed under a pseudonym or through the use of initials, as provided by court rule. The petition must include a statement that the petitioner is pregnant and notice has not been waived. The court shall advise the minor that she has a right to court-appointed counsel and shall provide her with counsel upon her request at no cost to the minor.

(b) Court proceedings under this *section* ~~subsection~~ must be given precedence over other pending matters to the extent necessary to ensure that the court reaches a decision promptly. The court shall rule, and issue written findings of fact and conclusions of law, within 48 hours after the petition is filed, except that the 48-hour limitation may be extended at the request of the minor. If the court fails to rule within the 48-hour period and an extension has not been requested, the petition *shall be deemed* ~~is~~ granted~~,~~ and the notice requirement ~~is~~ waived.

(c) If the court finds, by clear and convincing evidence, that the minor is sufficiently mature to decide whether to terminate her pregnancy, the court shall issue an order authorizing the minor to consent to the performance or inducement of a termination of pregnancy without the notification of a parent or guardian. If the court does not make the finding specified in this paragraph or paragraph (d), it must dismiss the petition. *Factors the court shall consider include:*

1. The minor's:

a. Age.

b. Overall intelligence.

c. Emotional stability.

d. Credibility and demeanor as a witness.

e. Ability to accept responsibility.

f. Ability to assess the future consequences of her choices.

g. Ability to understand and comprehend the medical risks of terminating her pregnancy and to apply that understanding to her decision.

2. Whether there has been any intimidation or undue influence on the minor's decision to terminate her pregnancy.

(d) If the court finds, by a preponderance of the evidence, that *the petitioner is the victim* ~~there is evidence~~ of child abuse or sexual abuse *inflicted* ~~of the petitioner~~ by one or both of her parents or her guardian, or that the notification of a parent or guardian is not in the best interest of the petitioner, the court shall issue an order authorizing the minor to consent to the performance or inducement of a termination of pregnancy without the notification of a parent or guardian. If the court finds evidence of child abuse or sexual abuse of the minor petitioner by any person, the court shall report the evidence of child abuse or sexual abuse of the petitioner, as provided in s. 39.201. If the court does not make the finding specified in this paragraph or paragraph (c), it must dismiss the petition.

(e) A court that conducts proceedings under this section shall*:*

1. Provide for a written transcript of all testimony and proceedings*;* ~~and~~

2. Issue *a final* witten *order containing* ~~and specific~~ factual findings and legal conclusions supporting its decision*, including factual findings and legal conclusions relating to the maturity of the minor as provided under paragraph (c);* and ~~shall~~

3. Order that a confidential record be maintained, as required under s. 390.01116. ~~At the hearing, the court shall hear evidence relating to the emotional development, maturity, intellect, and understanding of the minor, and all other relevant evidence.~~

(f) All hearings under this section, including appeals, shall remain confidential and closed to the public, as provided by court rule.

(g)~~(f)~~ An expedited appeal shall be *made* available, as the Supreme Court provides by rule, to any minor to whom the circuit court denies a waiver of notice. An order authorizing a termination of pregnancy without notice is not subject to appeal.

(h)~~(g)~~ ~~No~~ Filing fees or court costs *may not* ~~shall~~ be required of any pregnant minor who petitions a court for a waiver of parental notification under this subsection at either the trial or the appellate level.

(i)~~(h)~~ *A* ~~No~~ county *is not* ~~shall be~~ obligated to pay the salaries, costs, or expenses of any counsel appointed by the court under this subsection.

Section 2. *If any provision of this act or its application to any individual or circumstance is held invalid, the invalidity does not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.*

Section 3. This act shall take effect upon becoming a law

And the title is amended as follows:

Delete everything before the enacting clause and insert: A bill to be entitled An act relating to parental notice of abortion; amending s. 390.01114, F.S.; providing that in a hearing relating to waiving the requirement for parental notice, the court consider certain additional factors, including whether the minor's decision to terminate her pregnancy was due to intimidation or undue influence; providing for severability; providing an effective date.

On motion by Senator Storms, by two-thirds vote **CS for HB 1497** as amended was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—24

Mr. President	Aronberg	Baker
Alexander	Atwater	Carlton
Constantine	Gaetz	Saunders
Crist	Garcia	Siplin
Dawson	Haridopolos	Storms
Diaz de la Portilla	Oelrich	Villalobos
Dockery	Peaden	Webster
Fasano	Posey	Wise

Nays—15

Bennett	Jones	Lynn
Bullard	Joyner	Margolis
Deutch	Justice	Rich
Geller	King	Ring
Hill	Lawson	Wilson

RECESS

On motion by Senator King, the Senate recessed at 12:29 p.m. to reconvene at 2:30 p.m.

AFTERNOON SESSION

The Senate was called to order by the President at 2:30 p.m. A quorum present—39:

Mr. President	Dockery	Margolis
Alexander	Fasano	Oelrich
Aronberg	Gaetz	Peaden
Atwater	Garcia	Posey
Baker	Geller	Rich
Bennett	Haridopolos	Ring
Bullard	Hill	Saunders
Carlton	Jones	Siplin
Constantine	Joyner	Storms
Crist	Justice	Villalobos
Dawson	King	Webster
Deutch	Lawson	Wilson
Diaz de la Portilla	Lynn	Wise

BILLS ON THIRD READING, continued

CS for SB 2544—A bill to be entitled An act relating to sexual offenses; amending s. 775.082, F.S.; requiring life sentences for certain second or subsequent offenders; amending s. 794.0115, F.S.; adding offenses to dangerous sexual felony offender law; requiring mandatory minimum life sentences for certain offenders; providing an effective date.

—as amended May 3 was read the third time by title.

Senator Lynn moved the following amendment which was adopted by two-thirds vote:

Amendment 1 (350998)—On page 2, line 21; and on page 3, lines 8, 22 and 28, delete "*s. 794.065(1);*"

Senator Storms moved the following amendment:

Amendment 2 (811396)(with title amendment)—On page 5, between lines 10 and 11, insert:

Section 3. Section 775.0847, Florida Statutes, is created to read:

775.0847 Sexual offenses; reclassification.—

(1) The penalty for any misdemeanor or felony under s. 794.075, shall be reclassified, and the offender subject to an enhanced penalty, as follows:

(a) If the offender has previously been convicted of a violation of s. 794.075, the offense shall be reclassified as a felony of the third degree.

(b) If the offender has twice previously been convicted of a violation of s. 794.075, the offense shall be reclassified as a felony of the second degree and the offender must be sentenced to a minimum mandatory term of imprisonment of 5 years.

(c) If the offender has previously been convicted of a violation of s. 787.025(2)(c); s. 794.011(2), (3), (4), (5), or (8); s. 794.065(1); s. 796.03; s. 800.04(4), (5), (6)(b), or (7)(c); s. 825.1025(2), (3), or (4); s. 827.071(2), (3), (4), or (5); or s. 847.0145, the offense shall be reclassified as a second degree felony and the offender must be sentenced to a minimum mandatory term of imprisonment of 5 years.

(2) For purposes of this section, any offense listed in this section includes any offense under a former designation which is similar in elements to an offense described in this section and any offense that is a misdemeanor or felony in another jurisdiction, or would be a misdemeanor or felony if that offense were committed in this state, and that is similar in elements to an offense described in this section.

(Redesignate subsequent sections.)

And the title is amended as follows:

On page 1, line 8, after the semicolon (;) insert: creating s. 775.0847, F.S.; providing enhanced penalties for certain sexual offenses; providing mandatory minimum sentences;

Senator Storms moved the following amendment to **Amendment 2** which was adopted by two-thirds vote:

Amendment 2A (635496)—On page 2, lines 1-3, delete those lines and insert: *violation of s. 787.025(2)(c); s. 794.011(2), (3), (4), (5), or (8); s. 796.03; s. 800.04(4), (5), (6)(b), or (7)(c); s. 827.071(2), (3),*

Amendment 2 as amended failed to receive the required two-thirds vote.

The vote was:

Yeas—17

Alexander	Dawson	Posey
Aronberg	Diaz de la Portilla	Siplin
Atwater	Gaetz	Storms
Baker	Haridopolos	Webster
Constantine	Hill	Wise
Crist	Oelrich	

Nays—20

Mr. President	Geller	Margolis
Bennett	Jones	Rich
Bullard	Joyner	Ring
Carlton	Justice	Saunders
Deutch	King	Villalobos
Dockery	Lawson	Wilson
Garcia	Lynn	

Vote after roll call:

Yea—Fasano, Peaden

Senator Storms moved the following amendment:

Amendment 3 (573626)—On page 2, line 15 through page 4, line 2, delete those lines and insert:

794.0115 Dangerous sexual felony offender; mandatory sentencing.—

(1) This section may be cited as the "Dangerous Sexual Felony Offender Act."

(2) Any person who is convicted of a violation of s. 787.025(2)(c); s. 794.011(2), (3), (4), (5), or (8); *s. 796.03;* s. 800.04(4)*,* ~~or~~ (5)*, (6)(b), or (7)(c)*; ~~s. 825.1025(2) or (3);~~ s. 827.071(2), (3), ~~or~~ (4)*, or (5)*; or s. 847.0145; or of any similar offense under a former designation, which offense the person committed when he or she was 18 years of age or older, and the person:

(a) Caused serious personal injury to the victim as a result of the commission of the offense;

(b) Used or threatened to use a deadly weapon during the commission of the offense;

(c) Victimized more than one person during the course of the criminal episode applicable to the offense;

(d) Committed the offense while under the jurisdiction of a court for a felony offense under the laws of this state, for an offense that is a felony in another jurisdiction, or for an offense that would be a felony if that offense were committed in this state; or

(e) Has previously been convicted of a violation of s. 787.025(2)(c); s. 794.011(2), (3), (4), (5), or (8); *s. 796.03;* s. 800.04(4)*,* ~~or~~ (5)*, (6)(b), or (7)(c)*; ~~s. 825.1025(2) or (3);~~ s. 827.071(2), (3), ~~or~~ (4)*, or (5)*; s. 847.0145; of any offense under a former ~~statutory~~ designation which is similar in elements to an offense described in this paragraph; or of any offense that is a felony in another jurisdiction, or would be a felony if that offense were committed in this state, and which is similar in elements to an offense described in this paragraph,

is a dangerous sexual felony offender, who must be sentenced to a mandatory minimum term of 25 years imprisonment up to, and including, life imprisonment.

(3)(a) Any person who:

1. Is convicted of a violation of s. 787.025(2)(c); s. 794.011(2), (3), (4), (5), or (8); s. 796.03; s. 800.04(4), (5), (6)(b), or (7)(c); s. 827.071(2), (3), (4), or (5); or s. 847.0145 and was 18 years of age or older at the time of the offense; and

2. Has been twice previously been convicted of a violation of s. 787.025(2)(c); s. 794.011(2), (3), (4), (5), or (8); s. 796.03; s. 800.04(4),(5), (6)(b), or (7)(c); s. 827.071(2), (3), (4) or (5); or s. 847.0145,

must be sentenced to a mandatory minimum term of life imprisonment.

On motion by Senator Storms, further consideration of **CS for SB 2544** with pending **Amendment 3 (573626)** was deferred.

By direction of the President, the rules were waived and the Senate reverted to—

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has passed SB 992, with amendment(s), and requests the concurrence of the Senate.

William S. Pittman III, Chief Clerk

SB 992—A bill to be entitled An act conforming the Florida Statutes to legislation enacted during the 2006 Regular Session relating to the licensure of health care providers regulated by the Agency for Health Care Administration; amending s. 112.0455, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to drug-testing standards of laboratories; authorizing the Agency for Health Care Administration to adopt rules to implement pt. II of ch. 408, F.S., relating to the Drug-Free Workplace Act; revising a license fee; amending s. 381.78, F.S.; conforming a cross-reference; amending s. 383.301, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to birth centers; repealing s. 383.304, F.S., relating to the licensure requirement for birth centers; amending s. 383.305, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to birth centers; providing for licensure fees to be established by rule; amending s. 383.309, F.S.; authorizing the agency to adopt and enforce rules to administer pt. II of ch. 408, F.S., relating to standards for birth centers; amending s. 383.315, F.S.; revising a provision relating to consultation agreements for birth centers; amending s. 383.324, F.S.; revising provisions relating to inspections and investigations of birth center facilities; amending s. 383.33, F.S.; revising provisions relating to administrative fines, penalties, emergency orders, and moratoriums on admissions; repealing s. 383.331, F.S., relating to injunctive relief; amending s. 383.332, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S.; amending s. 383.335, F.S.; providing an exemption from pt. II of ch. 408, F.S., for specified birth centers; amending s. 383.50, F.S.; conforming a cross-reference; amending s. 390.011, F.S.; revising a definition; amending s. 390.012, F.S.; revising rulemaking

authority of the agency for abortion clinics; repealing s. 390.013, F.S., relating to effective date of rules applicable to abortion clinics; amending s. 390.014, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to abortion clinics; amending s. 390.015, F.S.; revising provisions to applications for a license; repealing s. 390.016, F.S., relating to expiration and renewal of a license; repealing s. 390.017, F.S., relating to grounds for suspension or revocation of a license; amending s. 390.018, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to administrative fines; repealing s. 390.019, F.S., relating an to administrative penalty in lieu of revocation or suspension of a license to operate an abortion clinic; repealing s. 390.021, F.S., relating to instituting injunction proceedings against an abortion clinic; amending s. 394.455, F.S.; revising a definition; amending s. 394.4787, F.S.; conforming a cross-reference; amending s. 394.67, F.S.; deleting, revising, and providing definitions; amending ss. 394.74 and 394.82, F.S.; conforming cross-references; amending s. 394.875, F.S.; providing the purpose of short-term residential treatment facilities; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to crisis stabilization units, short-term residential treatment facilities, residential treatment facilities, and residential treatment centers for children and adolescents; providing an exemption from licensure requirements for hospitals licensed under ch. 395, F.S., and certain programs operated therein; amending s. 394.876, F.S.; revising provisions relating to an application for licensure to provide community substance abuse and mental health services; amending s. 394.877, F.S.; providing applicability of pt. II of ch. 408, F.S., to license fees; repealing s. 394.878, F.S., relating to issuance and renewal of licenses; amending s. 394.879, F.S.; providing rulemaking authority to the Department of Children and Family Services; deleting a reference to deposit of certain fines in the Mental Health Facility Trust Fund; amending s. 394.90, F.S.; revising provisions relating to inspections of crisis stabilization units and residential treatment facilities; amending s. 394.902, F.S.; revising provisions relating to the moratorium on admissions for unsafe or unlawful provision of community substance abuse and mental health services; amending s. 394.907, F.S., relating to access to records of community mental health centers; providing for the department to determine licensee compliance with quality assurance programs; amending s. 395.002, F.S.; deleting a definition; conforming cross-references; amending ss. 395.003, 395.004, and 395.0161, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to hospitals, ambulatory surgical centers, and mobile surgical facilities; repealing s. 395.0055, F.S., relating to background screening of personnel of hospitals and other licensed facilities; amending s. 395.0163, F.S.; deleting a provision requiring the deposit of fees charged for review of plans for construction of hospitals and other licensed facilities in the Planning and Regulation Trust Fund; amending ss. 395.0193 and 395.0197, F.S.; providing for the applicability of the reporting requirements of pt. II of ch. 408, F.S., to hospitals and other licensed facilities; conforming cross-references; amending ss. 395.0199 and 395.1046, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to health care utilization review and complaint investigation procedures; amending s. 395.1055, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to the adoption and enforcement of rules; amending ss. 395.1065, 395.10973, and 395.10974, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to administrative penalties and injunctions, rulemaking, and health care risk managers; amending ss. 395.602, 395.701, 400.0073, and 400.0074, F.S.; conforming cross-references; amending s. 400.021, F.S.; deleting definitions; amending s. 400.022, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to grounds for action for a violation of residents' rights; amending s. 400.051, F.S.; conforming a cross-reference; amending s. 400.062, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to nursing homes and related health care facilities; revising provisions relating to license fees; amending s. 400.063, F.S.; conforming a cross-reference; amending ss. 400.071 and 400.0712, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to license applications; revising provisions governing inactive licenses; amending s. 400.102, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to grounds for action by the agency against a licensee; amending s. 400.111, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to the disclosure of a controlling interest of a nursing home facility; requiring a licensee to disclose certain holdings of a controlling interest; amending s. 400.1183, F.S.; revising grievance procedures for nursing home residents; deleting a provision relating to an administrative fine; amending s. 400.121, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to the denial, suspension, or revocation of a nursing home facility license, fines imposed, and procedures for conducting hearings; repealing s. 400.125, F.S., relating to instituting injunction proceedings against a nursing home; amending s. 400.141, F.S.; conforming a cross-reference; amending s. 400.179, F.S.; revising provisions relating to liability for Medicaid underpayments and overpayments; requiring that certain licensure fees be paid annually; amending s. 400.18, F.S.; revising provisions relating to the closing of a nursing home facility; amending s. 400.19, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to nursing home facility inspections; amending s. 400.191, F.S.; revising provisions relating to the availability, distribution, and posting of reports and records; amending s. 400.23, F.S.; providing applicability of pt. II of ch. 408, F.S., to rulemaking for nursing home facilities; amending s. 400.241, F.S.; deleting provisions relating to prohibited acts involving the establishment, operation, or advertisement of nursing home facilities; amending ss. 400.464, 400.471, 400.474, and 400.484, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to home health agencies; repealing s. 400.495, F.S., relating to the notice of a toll-free telephone number for the central abuse hotline; amending ss. 400.497, 400.506, 400.509, 400.602, 400.605, 400.606, 400.6065, 400.607, 400.801, 400.805, 400.903, 400.905, 400.907, 400.908, 400.912, 400.914, and 400.915, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to the toll-free central abuse hotline, rules establishing minimum standards for home health aides, nurse registries, the registration of companion or homemaker service providers that are exempt from licensure, hospices, homes for special services, transitional living facilities, and prescribed pediatric extended care (PPEC) centers; amending s. 400.512, F.S.; revising provisions relating to the screening of home health agency, nurse registry, companion, and homemaker personnel; repealing s. 400.515, F.S., relating to instituting injunction proceedings against a home health agency or nurse registry; amending s. 400.6095, F.S.; clarifying provisions relating to protection from liability for hospice staff; amending s. 400.902, F.S.; revising a definition; amending s. 400.906, F.S.; revising provisions relating to applications for a license to operate a PPEC center; repealing s. 400.910, F.S., relating to expiration and renewal of a license and the issuance of a conditional license or permit to operate a PPEC center; repealing s. 400.911, F.S., relating to instituting injunction proceedings against a PPEC center; repealing s. 400.913, F.S., relating to right to enter and inspect a PPEC center; amending s. 400.916, F.S.; revising provisions relating to prohibited acts and penalties applicable to a PPEC center; repealing s. 400.917, F.S., relating to disposition of moneys from fines and fees imposed on a PPEC center; amending s. 400.925, F.S.; deleting and revising definitions; amending ss. 400.93, 400.931, 400.932, 400.933, 400.935, and 400.955, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to home medical equipment providers; repealing s. 400.95, F.S., relating to notice of the toll-free telephone number for the central abuse hotline; repealing s. 400.956, F.S., relating to instituting injunction proceedings against a home medical equipment provider; amending ss. 400.962, 400.967, 400.968, and 400.969, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to intermediate care facilities for developmentally disabled persons; repealing s. 400.963, F.S., relating to instituting injunction proceedings against an intermediate care facility for developmentally disabled persons; repealing s. 400.965, F.S., relating to agency action against an intermediate care facility for developmentally disabled persons; amending s. 400.980, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to health care services pools; amending ss. 400.991, 400.9915, 400.9925, 400.993, 400.9935, and 400.995, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to health care clinics; repealing s. 400.992, F.S., relating to license renewal, transfer of ownership, and provisional license of a health care clinic; repealing s. 400.994, F.S., relating to instituting injunctive proceedings against a health care clinic; repealing s. 400.9945, F.S., relating to review of agency licensure enforcement actions; amending ss. 408.802 and 408.832, F.S.; revising provisions to conform to changes made by the act; amending ss. 409.221, 409.815, 409.905, and 409.907, F.S.; conforming cross-references; amending ss. 429.02, 429.07, 429.075, 429.08, 429.11, 429.12, 429.14, 429.17, 429.174, 429.176, 429.18, 429.19, 429.22, 429.26, 429.31, 429.34, 429.35, 429.41, and 429.47, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to assisted living facilities; repealing s. 429.15, F.S., relating to imposing a moratorium on admissions to an assisted living facility and notice thereof; repealing s. 429.21, F.S., relating to instituting injunctive proceedings against an assisted living facility; repealing s. 429.51, F.S., relating to the time for an existing assisted living facility to comply with newly adopted rules and standards; amending ss. 429.67, 429.69, 429.71, and 429.73, F.S.; providing applicability of licensure

requirements under pt. II of ch. 408, F.S., to adult family-care homes; repealing s. 429.77, F.S., relating to instituting injunctive proceedings against an adult family-care home; amending ss. 429.901, 429.907, 429.909, 429.911, 429.913, 429.915, 429.919, 429.925, 429.927, and 429.929, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to adult day care centers; repealing s. 429.921, F.S., relating to the disposition of fees and administrative fines imposed on adult day care centers; repealing s. 429.923, F.S., relating to instituting injunctive proceedings against an adult day care center; repealing s. 429.933, F.S., relating to prohibited acts and penalties applicable to adult day care centers; amending s. 440.102, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to drug-testing laboratories; amending ss. 468.505 and 483.106, F.S.; conforming cross-references; amending ss. 483.035, 483.051, 483.061, 483.091, 483.101, 483.111, 483.172, 483.201, and 483.221, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to certain clinical laboratories; repealing s. 483.131, F.S., relating to display of the clinical laboratory license; repealing s. 483.25, F.S., relating to instituting injunctive proceedings against a clinical laboratory; amending ss. 483.291, 483.294, 483.30, 483.302, 483.317, 483.32, and 483.322, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to multiphasic health testing centers; repealing s. 483.311, F.S., relating to the display of a multiphasic health testing center license; amending s. 483.317, F.S.; repealing s. 483.328, F.S., relating to instituting injunctive proceedings against a multiphasic health testing center; amending s. 765.541, F.S.; conforming provisions relating to cadaveric organ and tissue procurement; amending s. 765.542, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to organ procurement organizations and tissue and eye banks; amending s. 765.544, F.S.; conforming provisions relating to application fees from organizations and tissue and eye banks; amending ss. 766.118, 766.316, and 812.014, F.S.; conforming cross-references; providing an effective date.

House Amendment 1 to Substitute House Amendment 1 (561649)(with title amendment)—

On page 226, between line(s) 17 and 18, insert:

Section 122. Paragraph (a) of subsection (4) of section 400.9905, Florida Statutes, is amended, and paragraph (l) is added to that subsection, to read:

400.9905 Definitions.—

(4) "Clinic" means an entity at which health care services are provided to individuals and which tenders charges for reimbursement for such services, including a mobile clinic and a portable equipment provider. For purposes of this part, the term does not include and the licensure requirements of this part do not apply to:

(a) Entities licensed or registered by the state under chapter 395; or entities licensed or registered by the state and providing only health care services within the scope of services authorized under their respective licenses granted under ss. 383.30-383.335, chapter 390, chapter 394, chapter 397, this chapter except part X, chapter 429, chapter 463, chapter 465, chapter 466, chapter 478, part I of chapter 483, chapter 484, or chapter 651; end-stage renal disease providers authorized under 42 C.F.R. part 405, subpart U; or providers certified under 42 C.F.R. part 485, subpart B or subpart H; or any entity that provides neonatal or pediatric hospital-based health care services *or other health care services* by licensed practitioners solely within a hospital licensed under chapter 395.

(l) Orthotic or prosthetic clinical facilities that are a publicly traded corporation or that are wholly owned, directly or indirectly, by a publicly traded corporation. As used in this paragraph, a publicly traded corporation is a corporation that issues securities traded on an exchange registered with the United States Securities and Exchange Commission as a national securities exchange.

And the title is amended as follows:

On page 1, line 2 through page 9, line 20 remove all of said lines and insert:

An act relating to the licensure of health care providers regulated by the Agency for Health Care Administration; amending s. 112.0455, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to drug-testing standards of laboratories; authorizing the Agency for Health Care Administration to adopt rules to implement pt. II of ch. 408, F.S., relating to the Drug-Free Workplace Act; revising a license fee; amending s. 381.78, F.S.; conforming a cross-reference; amending s. 383.301, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to birth centers; repealing s. 383.304, F.S., relating to the licensure requirement for birth centers; amending s. 383.305, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to birth centers; providing for licensure fees to be established by rule; amending s. 383.309, F.S.; authorizing the agency to adopt and enforce rules to administer pt. II of ch. 408, F.S., relating to standards for birth centers; amending s. 383.315, F.S.; revising a provision relating to consultation agreements for birth centers; amending s. 383.324, F.S.; revising provisions relating to inspections and investigations of birth center facilities; amending s. 383.33, F.S.; revising provisions relating to administrative fines, penalties, emergency orders, and moratoriums on admissions; repealing s. 383.331, F.S., relating to injunctive relief; amending s. 383.332, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S.; amending s. 383.335, F.S.; providing an exemption from pt. II of ch. 408, F.S., for specified birth centers; amending s. 383.50, F.S.; conforming a cross-reference; amending s. 390.011, F.S.; revising a definition; amending s. 390.012, F.S.; revising rulemaking authority of the agency for abortion clinics; repealing s. 390.013, F.S., relating to effective date of rules applicable to abortion clinics; amending s. 390.014, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to abortion clinics; amending s. 390.015, F.S.; revising provisions to applications for a license; repealing s. 390.016, F.S., relating to expiration and renewal of a license; repealing s. 390.017, F.S., relating to grounds for suspension or revocation of a license; amending s. 390.018, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to administrative fines; repealing s. 390.019, F.S., relating an to administrative penalty in lieu of revocation or suspension of a license to operate an abortion clinic; repealing s. 390.021, F.S., relating to instituting injunction proceedings against an abortion clinic; amending s. 394.455, F.S.; revising a definition; amending s. 394.4787, F.S.; conforming a cross-reference; amending s. 394.67, F.S.; deleting, revising, and providing definitions; amending ss. 394.74 and 394.82, F.S.; conforming cross-references; amending s. 394.875, F.S.; providing the purpose of short-term residential treatment facilities; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to crisis stabilization units, short-term residential treatment facilities, residential treatment facilities, and residential treatment centers for children and adolescents; providing an exemption from licensure requirements for hospitals licensed under ch. 395, F.S., and certain programs operated therein; amending s. 394.876, F.S.; revising provisions relating to an application for licensure to provide community substance abuse and mental health services; amending s. 394.877, F.S.; providing applicability of pt. II of ch. 408, F.S., to license fees; repealing s. 394.878, F.S., relating to issuance and renewal of licenses; amending s. 394.879, F.S.; providing rulemaking authority to the Department of Children and Family Services; deleting a reference to deposit of certain fines in the Mental Health Facility Trust Fund; amending s. 394.90, F.S.; revising provisions relating to inspections of crisis stabilization units and residential treatment facilities; amending s. 394.902, F.S.; revising provisions relating to the moratorium on admissions for unsafe or unlawful provision of community substance abuse and mental health services; amending s. 394.907, F.S., relating to access to records of community mental health centers; providing for the department to determine licensee compliance with quality assurance programs; amending s. 395.002, F.S.; deleting a definition; conforming cross-references; amending ss. 395.003, 395.004, and 395.0161, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to hospitals, ambulatory surgical centers, and mobile surgical facilities; repealing s. 395.0055, F.S., relating to background screening of personnel of hospitals and other licensed facilities; amending s. 395.0163, F.S.; deleting a provision requiring the deposit of fees charged for review of plans for construction of hospitals and other licensed facilities in the Planning and Regulation Trust Fund; amending ss. 395.0193 and 395.0197, F.S.; providing for the applicability of the reporting requirements of pt. II of ch. 408, F.S., to hospitals and other licensed facilities; conforming cross-references; amending ss. 395.0199 and 395.1046, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to health care utilization review and complaint investigation procedures; amending s. 395.1055, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to the adoption and enforcement of rules; amending ss. 395.1065, 395.10973, and 395.10974, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to administrative penalties and injunctions, rulemaking, and health care risk managers; amending ss. 395.602,

395.701, 400.0073, and 400.0074, F.S.; conforming cross-references; amending s. 400.021, F.S.; deleting definitions; amending s. 400.022, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to grounds for action for a violation of residents' rights; amending s. 400.051, F.S.; conforming a cross-reference; amending s. 400.062, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to nursing homes and related health care facilities; revising provisions relating to license fees; amending s. 400.063, F.S.; conforming a cross-reference; amending ss. 400.071 and 400.0712, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to license applications; revising provisions governing inactive licenses; amending s. 400.102, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to grounds for action by the agency against a licensee; amending s. 400.111, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to the disclosure of a controlling interest of a nursing home facility; requiring a licensee to disclose certain holdings of a controlling interest; amending s. 400.1183, F.S.; revising grievance procedures for nursing home residents; deleting a provision relating to an administrative fine; amending s. 400.121, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to the denial, suspension, or revocation of a nursing home facility license, fines imposed, and procedures for conducting hearings; repealing s. 400.125, F.S., relating to instituting injunction proceedings against a nursing home; amending s. 400.141, F.S.; conforming a cross-reference; amending s. 400.179, F.S.; revising provisions relating to liability for Medicaid underpayments and overpayments; requiring that certain licensure fees be paid annually; amending s. 400.18, F.S.; revising provisions relating to the closing of a nursing home facility; amending s. 400.19, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to nursing home facility inspections; amending s. 400.191, F.S.; revising provisions relating to the availability, distribution, and posting of reports and records; amending s. 400.23, F.S.; providing applicability of pt. II of ch. 408, F.S., to rulemaking for nursing home facilities; amending s. 400.241, F.S.; deleting provisions relating to prohibited acts involving the establishment, operation, or advertisement of nursing home facilities; amending ss. 400.464, 400.471, 400.474, and 400.484, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to home health agencies; repealing s. 400.495, F.S., relating to the notice of a toll-free telephone number for the central abuse hotline; amending ss. 400.497, 400.506, 400.509, 400.602, 400.605, 400.606, 400.6065, 400.607, 400.801, 400.805, 400.903, 400.905, 400.907, 400.908, 400.912, 400.914, and 400.915, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to the toll-free central abuse hotline, rules establishing minimum standards for home health aides, nurse registries, the registration of companion or homemaker service providers that are exempt from licensure, hospices, homes for special services, transitional living facilities, and prescribed pediatric extended care (PPEC) centers; amending s. 400.512, F.S.; revising provisions relating to the screening of home health agency, nurse registry, companion, and homemaker personnel; repealing s. 400.515, F.S., relating to instituting injunction proceedings against a home health agency or nurse registry; amending s. 400.6095, F.S.; clarifying provisions relating to protection from liability for hospice staff; amending s. 400.902, F.S.; revising a definition; amending s. 400.906, F.S.; revising provisions relating to applications for a license to operate a PPEC center; repealing s. 400.910, F.S., relating to expiration and renewal of a license and the issuance of a conditional license or permit to operate a PPEC center; repealing s. 400.911, F.S., relating to instituting injunction proceedings against a PPEC center; repealing s. 400.913, F.S., relating to right to enter and inspect a PPEC center; amending s. 400.916, F.S.; revising provisions relating to prohibited acts and penalties applicable to a PPEC center; repealing s. 400.917, F.S., relating to disposition of moneys from fines and fees imposed on a PPEC center; amending s. 400.925, F.S.; deleting and revising definitions; amending ss. 400.93, 400.931, 400.932, 400.933, 400.935, and 400.955, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to home medical equipment providers; repealing s. 400.95, F.S., relating to notice of the toll-free telephone number for the central abuse hotline; repealing s. 400.956, F.S., relating to instituting injunction proceedings against a home medical equipment provider; amending ss. 400.962, 400.967, 400.968, and 400.969, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to intermediate care facilities for developmentally disabled persons; repealing s. 400.963, F.S., relating to instituting injunction proceedings against an intermediate care facility for developmentally disabled persons; repealing s. 400.965, F.S., relating to agency action against an intermediate care facility for developmentally disabled persons; amending s. 400.980, F.S.; providing applicability of licensure requirements under pt. II of ch. 408, F.S., to health care services pools; amending s. 400.9905, F.S.; revising the definition of the term "clinic" for purposes of pt. X of ch. 400, F.S., relating to clinic licensure; amending ss. 400.991, 400.9915,

On motion by Senator Atwater, the Senate concurred in the House amendment.

SB 992 passed as amended and was ordered engrossed and then enrolled. The action of the Senate was certified to the House. The vote on passage was:

Yeas—39

Mr. President	Dockery	Margolis
Alexander	Fasano	Oelrich
Aronberg	Gaetz	Peaden
Atwater	Garcia	Posey
Baker	Geller	Rich
Bennett	Haridopolos	Ring
Bullard	Hill	Saunders
Carlton	Jones	Siplin
Constantine	Joyner	Storms
Crist	Justice	Villalobos
Dawson	King	Webster
Deutch	Lawson	Wilson
Diaz de la Portilla	Lynn	Wise

Nays—None

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has passed SB 1748, with amendment(s), and requests the concurrence of the Senate.

William S. Pittman III, Chief Clerk

SB 1748—A bill to be entitled An act relating to insurance contracts; creating s. 627.442, F.S.; prohibiting the rejection of workers' compensation insurance policies issued by certain self-insurance funds under certain circumstances; providing an effective date.

House Amendment 1 (523233)(with title amendment)—

Remove everything after the enacting clause and insert:

Section 1. Effective June 1, 2007, subsection (15) is added to section 627.215, Florida Statutes, to read:

627.215 Excessive profits for workers' compensation, employer's liability, commercial property, and commercial casualty insurance prohibited.—

(15)(a) Each insurer group offering workers' compensation or employer's liability insurance shall also file a schedule of loss and loss adjustment experience in this state for each of the 10 years previous to the most recent accident year. The incurred losses and loss adjustment expenses shall be valued as of December 31 of the first year following the latest accident year to be reported, developed to an ultimate basis, and at nine 12-month intervals thereafter, each developed to an ultimate basis, so that a total of ten evaluations will be provided for each accident year. The first year to be included shall be accident year 1996, so that the reporting of 10 accident years under this revised evaluation will not take place until accident year 2005 data is included in the first report under this subsection that shall be filed prior to July 1, 2008, and this subsection shall not apply until an insurer group has 10 years of loss experience in this state. For reporting purposes unrelated to determining excessive profits, the loss and loss adjustment experience of each accident year shall continue to be reported until each accident year has been reported at eight stages of development.

(b) For those insurer groups offering workers' compensation or employer's liability insurance during the years 1996 through 2005, an excessive profit has been realized if underwriting gain is greater than the anticipated underwriting profit plus 5 percent of earned premiums for the 10 most recent calendar years for which data is to be filed under this subsection. Any excess profit of an insurance company offering workers'

compensation or employer's liability insurance during such period of time shall be returned to policyholders in the form of a cash refund or a credit toward future purchase of insurance. The excessive amount shall be refunded on a pro rata basis in relation to the final compilation year earned premiums to the workers' compensation policyholders of record of the insurer group on December 31 of the final compilation year.

(c) As used in this subsection with respect to any 10-year period, the term "anticipated underwriting profit" means the sum of the dollar amounts obtained by multiplying, for each rate filing of the insurer group in effect during such period, the earned premiums applicable to such rate filing during such period by the percentage factor included in such rate filing for profit and contingencies, which factor was determined with due recognition to investment income from funds generated by business in this state; however, the anticipated underwriting profit for the purposes of this subsection shall be calculated using a profit and contingencies factor that is not less than zero. Separate calculations need not be made for consecutive rate filings containing the same percentage factor for profits and contingencies.

(d) Insurer groups offering workers' compensation insurance or employer's liability insurance must file only the reports required under this subsection for the purposes of this section.

Section 2. Section 627.442, Florida Statutes, is created to read:

627.442 Insurance contracts.—A person who requires a workers' compensation insurance policy pursuant to a construction contract may not reject a workers' compensation insurance policy issued by a self-insurance fund that is subject to part V of chapter 631 based upon the self-insurance fund not being rated by a nationally recognized insurance rating service.

Section 3. *If any provision of this act or its application to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of the act are declared severable.*

Section 4. Except as otherwise expressly provided by this act, this act shall take effect upon becoming a law.

And the title is amended as follows:

Remove the entire title and insert:

A bill to be entitled An act relating to insurance; amending s. 627.215, F.S.; providing additional filing requirements for certain insurers; providing criteria for such requirements; requiring refunds of certain excessive profits under certain circumstances; providing a definition; providing a report filing limitation; creating s. 627.442, F.S.; prohibiting the rejection of workers' compensation insurance policies issued by certain self-insurance funds under certain circumstances; providing severability; providing effective dates.

On motion by Senator Gaetz, the Senate refused to concur in the House amendment to **SB 1748** and the House was requested to recede. The action of the Senate was certified to the House.

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has amended Senate Amendment 1 and concurred in the same as amended, amended Senate Amendment 2 and concurred in the same as amended, and passed CS for HB 645 as further amended, and requests the concurrence of the Senate.

William S. Pittman III, Chief Clerk

CS for HB 645—A bill to be entitled An act relating to growth management; amending s. 1013.738, F.S.; revising the eligibility criteria for the High Growth District Capital Outlay Assistance Grant Program; revising provisions for allocating funds provided by the General Appropriations Act to the Public Education Capital Outlay and Debt Service Trust Fund; providing an effective date.

House Amendment 1 to Senate Amendment 1 (388735)—

On page 1, remove line(s) 17-21, and insert;

(c) The district *average growth in capital outlay FTE*

students over the prior 3 fiscal years must have equaled or

exceeded *3.5 percent. Growth in any single year must be determined by calculating the increase in students over the prior year* ~~twice the statewide average of growth in capital outlay FTE students over this same 4 year period~~.

House Amendment 4 to Senate Amendment 2 (033591)—

On page 1, remove lines 17-23, and insert:

Section 2. Subsection (5) is added to section 1013.738, Florida Statutes, to read:

1013.738 High Growth District Capital Outlay Assistance Grant Program.—

(5) For the purpose of calculating district allocations under paragraph (3)(c) for the districts determined eligible under subsection (2):

(a) The district's growth capital outlay full-time equivalent membership in paragraph (3)(c) shall be multiplied by a factor of 1.25 for districts with average growth greater than or equal to 4 percent and less than 4.5 percent in capital outlay FTE students over the prior 3 fiscal years as determined in paragraph (2)(c).

(b) The district's growth capital outlay full-time equivalent membership in paragraph (3)(c) shall be multiplied by a factor of 1.5 for districts with average growth greater than or equal to 4.5 percent and less than 5 percent in capital outlay FTE students over the prior 3 fiscal years as determined in paragraph (2)(c).

(c) The district's growth capital outlay full-time equivalent membership in paragraph (3)(c) shall be multiplied by a factor of 1.75 for districts with average growth greater than or equal to 5 percent and less than 6 percent in capital outlay FTE students over the prior 3 fiscal years as determined in paragraph (2)(c).

(d) The district's growth capital outlay full-time equivalent membership in paragraph (3)(c) shall be multiplied by a factor of 2.0 for districts with average growth greater than or equal to 6 percent in capital outlay FTE students over the prior 3 fiscal years as determined in paragraph (2)(c).

Section 3. *The sum of $30 million is appropriated for the 2007-2008 fiscal year from nonrecurring funds from the Public Education Capital Outlay and Debt Service Trust Fund to the Department of Education for the High Growth District Capital Outlay Assistance Grant Program established in s. 1013.738, Florida Statutes.*

And the title is amended as follows:

On page 2, remove line 2, and insert:

amending s. 1013.738, F.S.; providing requirements for the calculation of district allocations under the High Growth District Capital Outlay Assistance Grant Program; providing an appropriation;

On motion by Senator Dockery, the Senate refused to concur in the House amendments to the Senate amendments to **CS for HB 645** and the House was requested to recede. The action of the Senate was certified to the House.

INTRODUCTION OF FORMER SENATOR

President Pruitt introduced former Senator and President Pro Tempore, Charlie Clary who was present in the chamber.

RECESS

The President declared the Senate in informal recess at 3:23 p.m.

CALL TO ORDER

The Senate was called to order by the President at 3:45 p.m. A quorum present.

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has passed CS for SB 2498, with amendment(s), and requests the concurrence of the Senate.

William S. Pittman III, Chief Clerk

CS for SB 2498—A bill to be entitled An act relating to insurance; amending s. 215.5595, F.S.; providing that domestic and other insurers writing only manufactured housing policies are eligible to receive a surplus note in a specified amount; amending s. 626.916, F.S.; providing requirements for insurance coverage eligible for export for residential property risks; requiring that the insured be notified that coverage may be available from Citizens Property Insurance Corporation; amending s. 626.914, F.S.; revising the definition of the term "diligent effort"; amending s. 215.555, F.S.; revising the dates regarding an exemption from emergency assessments for medical malpractice insurance premiums; amending s. 627.351, F.S.; revising legislative findings to provide a finding that the lack of affordable property insurance threatens the public health, safety, and welfare and threatens the economic health of the state; revising provisions for determining eligibility for coverage under Citizens Property Insurance Corporation; amending s. 627.062, F.S.; providing that certain interest paid by an insurer may not be included in rate base or used to justify a rate or rate change; amending s. 626.9541, F.S.; providing additional unfair claim settlement practices; amending s. 627.70131, F.S.; deleting the definition of the term "insurer"; defining the term "claim"; revising provisions relating to when an insurer must pay a claim; providing conditions under which interest must be paid; extending the date for increasing rates; prohibiting issuance of new certificates of authority to certain insurers; requiring rate filings of certain insurers to include certain parent company profits information; establishing a pilot program to offer optional sinkhole coverage; amending s. 626.9201, F.S.; revising requirements concerning cancellation for nonpayment of premium of policies providing coverage for property, casualty, surety, or marine insurance; defining the term "nonpayment of premium"; providing that certain contracts or contractual obligations concerning such coverage are void under specified conditions; requiring the refund of certain premiums received by an insurer; providing that the internal design option of the Florida Building Code remains in effect until a specified date for a building permit application made before that date, notwithstanding provisions of ch. 2007-1, Laws of Florida; providing an effective date and for retroactive application; applying the act to any actions taken with respect to a building permit affected by such prior act; providing effective dates.

House Amendment 1 (900607)(with title amendment)—

Remove everything after the enacting clause and insert:

Section 1. Paragraph (h) of subsection (7) of section 163.01, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, is amended to read:

163.01 Florida Interlocal Cooperation Act of 1969.—

(7)

(h)1. Notwithstanding the provisions of paragraph (c), any separate legal entity consisting of an alliance, as defined in s. 395.106(2)(a), created pursuant to this paragraph and controlled by and whose members consist of eligible entities comprised of special districts created pursuant to a special act and having the authority to own or operate one or more hospitals licensed in this state or hospitals licensed in this state that are owned, operated, or funded by a county or municipality, for the purpose of providing property insurance coverage as defined in s. 395.106(2)*(b)*~~(c)~~, for such eligible entities, may exercise all powers under this subsection in connection with borrowing funds for such purposes, including, without limitation, the authorization, issuance, and sale of bonds, notes, or other obligations of indebtedness. Borrowed funds, including, but not limited to, bonds issued by such alliance shall be deemed issued on behalf of such eligible entities that enter into loan agreements with such separate legal entity as provided in this paragraph.

2. Any such separate legal entity shall have all the powers that are provided by the interlocal agreement under which the entity is created or that are necessary to finance, operate, or manage the alliance's property insurance coverage program. Proceeds of bonds, notes, or other obligations issued by such an entity may be loaned to any one or more eligible entities. Such eligible entities are authorized to enter into loan agreements with any separate legal entity created pursuant to this paragraph for the purpose of obtaining moneys with which to finance property insurance coverage or claims. Obligations of any eligible entity pursuant to a loan agreement as described in this paragraph may be validated as provided in chapter 75.

3. Any bonds, notes, or other obligations to be issued or incurred by a separate legal entity created pursuant to this paragraph shall be authorized by resolution of the governing body of such entity and bear the date or dates; mature at the time or times, not exceeding 30 years from their respective dates; bear interest at the rate or rates, which may be fixed or vary at such time or times and in accordance with a specified formula or method of determination; be payable at the time or times; be in the denomination; be in the form; carry the registration privileges; be executed in the manner; be payable from the sources and in the medium of payment and at the place; and be subject to redemption, including redemption prior to maturity, as the resolution may provide. The bonds, notes, or other obligations may be sold at public or private sale for such price as the governing body of the separate legal entity shall determine. The bonds may be secured by such credit enhancement, if any, as the governing body of the separate legal entity deems appropriate. The bonds may be secured by an indenture of trust or trust agreement. In addition, the governing body of the separate legal entity may delegate, to such officer or official of such entity as the governing body may select, the power to determine the time; manner of sale, public or private; maturities; rate or rates of interest, which may be fixed or may vary at such time or times and in accordance with a specified formula or method of determination; and other terms and conditions as may be deemed appropriate by the officer or official so designated by the governing body of such separate legal entity. However, the amounts and maturities of such bonds, the interest rate or rates, and the purchase price of such bonds shall be within the limits prescribed by the governing body of such separate legal entity in its resolution delegating to such officer or official the power to authorize the issuance and sale of such bonds.

4. Bonds issued pursuant to this paragraph may be validated as provided in chapter 75. The complaint in any action to validate such bonds shall be filed only in the Circuit Court for Leon County. The notice required to be published by s. 75.06 shall be published in Leon County and in each county in which an eligible entity that is a member of an alliance is located. The complaint and order of the circuit court shall be served only on the State Attorney of the Second Judicial Circuit and on the state attorney of each circuit in each county in which an eligible entity receiving bond proceeds is located.

5. The accomplishment of the authorized purposes of a separate legal entity created under this paragraph is deemed in all respects for the benefit, increase of the commerce and prosperity, and improvement of the health and living conditions of the people of this state. Inasmuch as the separate legal entity performs essential public functions in accomplishing its purposes, the separate legal entity is not required to pay any taxes or assessments of any kind upon any property acquired or used by the entity for such purposes or upon any revenues at any time received by the entity. The bonds, notes, and other obligations of such separate legal entity, the transfer of and income from such bonds, notes, and other obligations, including any profits made on the sale of such bonds, notes, and other obligations, are at all times free from taxation of any kind of the state or by any political subdivision or other agency or instrumentality of the state. The exemption granted in this paragraph does not apply to any tax imposed by chapter 220 on interest, income, or profits on debt obligations owned by corporations.

6. The participation by any eligible entity in an alliance or a separate legal entity created pursuant to this paragraph may not be deemed a waiver of immunity to the extent of liability or any other coverage, and a contract entered regarding such alliance is not required to contain any provision for waiver.

Section 2. Paragraph (b) of subsection (4), paragraph (e) of subsection (5), paragraph (b) of subsection (6), and subsection (16) of section 215.555, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, are amended to read:

215.555 Florida Hurricane Catastrophe Fund.—

(4) REIMBURSEMENT CONTRACTS.—

(b)1. The contract shall contain a promise by the board to reimburse the insurer for 45 percent, 75 percent, or 90 percent of its losses from each covered event in excess of the insurer's retention, plus 5 percent of the reimbursed losses to cover loss adjustment expenses.

2. The insurer must elect one of the percentage coverage levels specified in this paragraph and may, upon renewal of a reimbursement contract, elect a lower percentage coverage level if no revenue bonds issued under subsection (6) after a covered event are outstanding, or elect a higher percentage coverage level, regardless of whether or not revenue bonds are outstanding. All members of an insurer group must elect the same percentage coverage level. Any joint underwriting association, risk apportionment plan, or other entity created under s. 627.351 must elect the 90-percent coverage level.

3. The contract shall provide that reimbursement amounts shall not be reduced by reinsurance paid or payable to the insurer from other sources.

4. Notwithstanding any other provision contained in this section, the board shall make available to insurers that *purchased coverage provided by this subparagraph* ~~participated~~ in 2006, insurers qualifying as limited apportionment companies under s. 627.351(6)(c) ~~which began writing property insurance in 2007~~, and insurers that were approved to participate in 2006 or that are approved in 2007 for the Insurance Capital Build-Up Incentive Program pursuant to s. 215.5595, a contract or contract addendum that provides an additional amount of reimbursement coverage of up to $10 million. The premium to be charged for this additional reimbursement coverage shall be 50 percent of the additional reimbursement coverage provided, which shall include one prepaid reinstatement. The minimum retention level that an eligible participating insurer must retain associated with this additional coverage layer is 30 percent of the insurer's surplus as of December 31, 2006. This coverage shall be in addition to all other coverage that may be provided under this section. The coverage provided by the fund under this *subparagraph* ~~subsection~~ shall be in addition to the claims-paying capacity as defined in subparagraph (c)1., but only with respect to those insurers that select the additional coverage option and meet the requirements of this *subparagraph* ~~subsection~~. The claims-paying capacity with respect to all other participating insurers and limited apportionment companies that do not select the additional coverage option shall be limited to their reimbursement premium's proportionate share of the actual claims-paying capacity otherwise defined in subparagraph (c)1. and as provided for under the terms of the reimbursement contract. Coverage provided in the reimbursement contract will not be affected by the additional premiums paid by participating insurers exercising the additional coverage option allowed in this subparagraph. This subparagraph expires on May 31, 2008.

(5) REIMBURSEMENT PREMIUMS.—

(e) If Citizens Property Insurance Corporation assumes or otherwise provides coverage for policies of an insurer placed in liquidation under chapter 631 pursuant to s. 627.351(6), the corporation may, pursuant to conditions mutually agreed to between the corporation and the State Board of Administration, obtain coverage for such policies under its contract with the fund or accept an assignment of the liquidated insurer's contract with the fund. If Citizens Property Insurance Corporation elects to cover these policies under the corporation's contract with the fund, it shall notify the board of its insured values with respect to such policies within a specified time mutually agreed to between the corporation and the board, after such assumption or other coverage transaction, and the fund shall treat such policies as having been in effect as of June 30 of that year. In the event of an assignment, the fund shall apply that contract to such policies and treat Citizens Property Insurance Corporation as if the corporation were the liquidated insurer for the remaining term of the contract, and the corporation shall have all rights and duties of the liquidated insurer beginning on the date it provides coverage for such policies, but the corporation is not subject to any preexisting rights, liabilities, or duties of the liquidated insurer. The assignment, including any unresolved issues between the liquidated insurer and Citizens Property Insurance Corporation under the contract, shall be provided for in the liquidation order or otherwise determined by the court. However, if a covered event occurs before the effective date of the assignment, the corporation may not obtain coverage for such policies under its contract with the fund and shall accept an assignment of the liquidated insurer's contract as provided in this paragraph. ~~This paragraph expires on June 1, 2007.~~

(6) REVENUE BONDS.—

(b) Emergency assessments.—

1. If the board determines that the amount of revenue produced under subsection (5) is insufficient to fund the obligations, costs, and expenses of the fund and the corporation, including repayment of revenue bonds and that portion of the debt service coverage not met by reimbursement premiums, the board shall direct the Office of Insurance Regulation to levy, by order, an emergency assessment on direct premiums for all property and casualty lines of business in this state, including property and casualty business of surplus lines insurers regulated under part VIII of chapter 626, but not including any workers' compensation premiums or medical malpractice premiums. As used in this subsection, the term "property and casualty business" includes all lines of business identified on Form 2, Exhibit of Premiums and Losses, in the annual statement required of authorized insurers by s. 624.424 and any rule adopted under this section, except for those lines identified as accident and health insurance and except for policies written under the National Flood Insurance Program. The assessment shall be specified as a percentage of direct written premium and is subject to annual adjustments by the board in order to meet debt obligations. The same percentage shall apply to all policies in lines of business subject to the assessment issued or renewed during the 12-month period beginning on the effective date of the assessment.

2. A premium is not subject to an annual assessment under this paragraph in excess of 6 percent of premium with respect to obligations arising out of losses attributable to any one contract year, and a premium is not subject to an aggregate annual assessment under this paragraph in excess of 10 percent of premium. An annual assessment under this paragraph shall continue as long as the revenue bonds issued with respect to which the assessment was imposed are outstanding, including any bonds the proceeds of which were used to refund the revenue bonds, unless adequate provision has been made for the payment of the bonds under the documents authorizing issuance of the bonds.

3. Emergency assessments shall be collected from policyholders. Emergency assessments shall be remitted by insurers as a percentage of direct written premium for the preceding calendar quarter as specified in the order from the Office of Insurance Regulation. The office shall verify the accurate and timely collection and remittance of emergency assessments and shall report the information to the board in a form and at a time specified by the board. Each insurer collecting assessments shall provide the information with respect to premiums and collections as may be required by the office to enable the office to monitor and verify compliance with this paragraph.

4. With respect to assessments of surplus lines premiums, each surplus lines agent shall collect the assessment at the same time as the agent collects the surplus lines tax required by s. 626.932, and the surplus lines agent shall remit the assessment to the Florida Surplus Lines Service Office created by s. 626.921 at the same time as the agent remits the surplus lines tax to the Florida Surplus Lines Service Office. The emergency assessment on each insured procuring coverage and filing under s. 626.938 shall be remitted by the insured to the Florida Surplus Lines Service Office at the time the insured pays the surplus lines tax to the Florida Surplus Lines Service Office. The Florida Surplus Lines Service Office shall remit the collected assessments to the fund or corporation as provided in the order levied by the Office of Insurance Regulation. The Florida Surplus Lines Service Office shall verify the proper application of such emergency assessments and shall assist the board in ensuring the accurate and timely collection and remittance of assessments as required by the board. The Florida Surplus Lines Service Office shall annually calculate the aggregate written premium on property and casualty business, other than workers' compensation and medical malpractice, procured through surplus lines agents and insureds procuring coverage and filing under s. 626.938 and shall report the information to the board in a form and at a time specified by the board.

5. Any assessment authority not used for a particular contract year may be used for a subsequent contract year. If, for a subsequent contract

year, the board determines that the amount of revenue produced under subsection (5) is insufficient to fund the obligations, costs, and expenses of the fund and the corporation, including repayment of revenue bonds and that portion of the debt service coverage not met by reimbursement premiums, the board shall direct the Office of Insurance Regulation to levy an emergency assessment up to an amount not exceeding the amount of unused assessment authority from a previous contract year or years, plus an additional 4 percent provided that the assessments in the aggregate do not exceed the limits specified in subparagraph 2.

6. The assessments otherwise payable to the corporation under this paragraph shall be paid to the fund unless and until the Office of Insurance Regulation and the Florida Surplus Lines Service Office have received from the corporation and the fund a notice, which shall be conclusive and upon which they may rely without further inquiry, that the corporation has issued bonds and the fund has no agreements in effect with local governments under paragraph (c). On or after the date of the notice and until the date the corporation has no bonds outstanding, the fund shall have no right, title, or interest in or to the assessments, except as provided in the fund's agreement with the corporation.

7. Emergency assessments are not premium and are not subject to the premium tax, to the surplus lines tax, to any fees, or to any commissions. An insurer is liable for all assessments that it collects and must treat the failure of an insured to pay an assessment as a failure to pay the premium. An insurer is not liable for uncollectible assessments.

8. When an insurer is required to return an unearned premium, it shall also return any collected assessment attributable to the unearned premium. A credit adjustment to the collected assessment may be made by the insurer with regard to future remittances that are payable to the fund or corporation, but the insurer is not entitled to a refund.

9. When a surplus lines insured or an insured who has procured coverage and filed under s. 626.938 is entitled to the return of an unearned premium, the Florida Surplus Lines Service Office shall provide a credit or refund to the agent or such insured for the collected assessment attributable to the unearned premium prior to remitting the emergency assessment collected to the fund or corporation.

10. The exemption of medical malpractice insurance premiums from emergency assessments under this paragraph is repealed *May 31, 2010* ~~May 31, 2007~~, and medical malpractice insurance premiums shall be subject to emergency assessments attributable to loss events occurring in the contract years commencing on *June 1, 2010* ~~June 1, 2007~~.

(16) TEMPORARY EMERGENCY OPTIONS FOR ADDITIONAL COVERAGE.—

(a) Findings and intent.—

1. The Legislature finds that:

a. Because of temporary disruptions in the market for catastrophic reinsurance, many property insurers were unable to procure reinsurance for the 2006 hurricane season with an attachment point below the insurers' respective Florida Hurricane Catastrophe Fund attachment points, were unable to procure sufficient amounts of such reinsurance, or were able to procure such reinsurance only by incurring substantially higher costs than in prior years.

b. The reinsurance market problems were responsible, at least in part, for substantial premium increases to many consumers and increases in the number of policies issued by the Citizens Property Insurance Corporation.

c. It is likely that the reinsurance market disruptions will not significantly abate prior to the 2007 hurricane season.

2. It is the intent of the Legislature to create a temporary emergency program, applicable to the 2007, 2008, and 2009 hurricane seasons, to address these market disruptions and enable insurers, at their option, to procure additional coverage from the Florida Hurricane Catastrophe Fund.

(b) Applicability of other provisions of this section.—All provisions of this section and the rules adopted under this section apply to the program created by this subsection unless specifically superseded by this subsection.

(c) Optional coverage.—For the contract year commencing June 1, 2007, and ending May 31, 2008, the contract year commencing June 1, 2008, and ending May 31, 2009, and the contract year commencing June 1, 2009, and ending May 31, 2010, the board shall offer for each of such years the optional coverage as provided in this subsection.

(d) Additional definitions.—As used in this subsection, the term:

1. "TEACO options" means the temporary emergency additional coverage options created under this subsection.

2. "TEACO insurer" means an insurer that has opted to obtain coverage under the TEACO options in addition to the coverage provided to the insurer under its reimbursement contract.

3. "TEACO reimbursement premium" means the premium charged by the fund for coverage provided under the TEACO options.

4. "TEACO retention" means the amount of losses below which a TEACO insurer is not entitled to reimbursement from the fund under the TEACO option selected. A TEACO insurer's retention options shall be calculated as follows:

a. The board shall calculate and report to each TEACO insurer the TEACO retention multiples. There shall be three TEACO retention multiples for defining coverage. Each multiple shall be calculated by dividing $3 billion, $4 billion, or $5 billion by the total estimated *mandatory FHCF* ~~TEACO~~ reimbursement premium assuming all insurers ~~selected that option. Total estimated TEACO reimbursement premium for purposes of the calculation under this sub-subparagraph shall be calculated using the assumption that all insurers have selected a specific TEACO retention multiple option and have~~ selected the 90-percent coverage level.

b. The TEACO retention multiples as determined under sub-subparagraph a. shall be adjusted to reflect the coverage level elected by the insurer. For insurers electing the 90-percent coverage level, the adjusted retention multiple is 100 percent of the amount determined under sub-subparagraph a. For insurers electing the 75-percent coverage level, the retention multiple is 120 percent of the amount determined under sub-subparagraph a. For insurers electing the 45-percent coverage level, the adjusted retention multiple is 200 percent of the amount determined under sub-subparagraph a.

c. An insurer shall determine its provisional TEACO retention by multiplying its *estimated mandatory FHCF* ~~provisional TEACO~~ reimbursement premium by the applicable adjusted TEACO retention multiple and shall determine its actual TEACO retention by multiplying its actual *mandatory FHCF* ~~TEACO~~ reimbursement premium by the applicable adjusted TEACO retention multiple.

d. For TEACO insurers who experience multiple covered events causing loss during the contract year, the insurer's full TEACO retention shall be applied to each of the covered events causing the two largest losses for that insurer. For other covered events resulting in losses, the TEACO option does not apply and the insurer's retention shall be one-third of the full retention as calculated under paragraph (2)(e).

5. "TEACO addendum" means an addendum to the reimbursement contract reflecting the obligations of the fund and TEACO insurers under the program created by this subsection.

6. "FHCF" means the Florida Hurricane Catastrophe Fund.

(e) TEACO addendum.—

1. The TEACO addendum shall provide for reimbursement of TEACO insurers for covered events occurring during the contract year, in exchange for the TEACO reimbursement premium paid into the fund under paragraph (f). Any insurer writing covered policies has the option of choosing to accept the TEACO addendum for any of the 3 contract years that the coverage is offered.

2. The TEACO addendum shall contain a promise by the board to reimburse the TEACO insurer for 45 percent, 75 percent, or 90 percent of its losses from each covered event in excess of the insurer's TEACO retention, plus 5 percent of the reimbursed losses to cover loss adjustment expenses. The percentage shall be the same as the coverage level selected by the insurer under paragraph (4)(b).

3. The TEACO addendum shall provide that reimbursement amounts shall not be reduced by reinsurance paid or payable to the insurer from other sources.

4. The TEACO addendum shall also provide that the obligation of the board with respect to all TEACO addenda shall not exceed an amount equal to two times the difference between the industry retention level calculated under paragraph (2)(e) and the $3 billion, $4 billion, or $5 billion industry TEACO retention level options actually selected, but in no event may the board's obligation exceed the actual claims-paying capacity of the fund plus the additional capacity created in paragraph (g). If the actual claims-paying capacity and the additional capacity created under paragraph (g) fall short of the board's obligations under the reimbursement contract, each insurer's share of the fund's capacity shall be prorated based on the premium an insurer pays for its *mandatory* ~~normal~~ reimbursement coverage and the premium paid for its optional TEACO coverage as each such premium bears to the total premiums paid to the fund times the available capacity.

5. The priorities, schedule, and method of reimbursements under the TEACO addendum shall be the same as provided under subsection (4).

6. A TEACO insurer's maximum reimbursement *for a single event shall be equal to the product of multiplying its mandatory FHCF premium by the difference between its FHCF retention multiple and its TEACO retention multiple under the TEACO option selected and by the coverage selected under paragraph (4)(b), plus an additional 5 percent for loss adjustment expenses. A TEACO insurer's maximum reimbursement* under the TEACO *option selected for a TEACO insurer's two largest events* ~~addendum~~ shall be *twice its maximum reimbursement for a single event* ~~calculated by multiplying the insurer's share of the estimated total TEACO reimbursement premium as calculated under sub-subparagraph (d)4.a. by an amount equal to two times the difference between the industry retention level calculated under paragraph (2)(e) and the $3 billion, $4 billion, or $5 billion industry TEACO retention level specified in sub-subparagraph (d)4.a. as selected by the TEACO insurer~~.

(f) TEACO reimbursement premiums.—

1. Each TEACO insurer shall pay to the fund, in the manner and at the time provided in the reimbursement contract for payment of reimbursement premiums, a TEACO reimbursement premium calculated as specified in this paragraph.

2. ~~The TEACO reimbursement premiums shall be calculated based on the assumption that, if all insurers entering into reimbursement contracts under subsection (4) also accepted the TEACO option:~~

~~a.~~ The *insurer's* ~~industry~~ TEACO reimbursement premium associated with the $3 billion retention option *shall* ~~would~~ be equal to 85 percent of *a TEACO insurer's maximum reimbursement for a single event as calculated under subparagraph (e)6.* ~~the difference between the industry retention level calculated under paragraph (2)(e) and the $3 billion industry TEACO retention level.~~

~~b.~~ The TEACO reimbursement premium associated with the $4 billion retention option *shall* ~~would~~ be equal to 80 percent of *a TEACO insurer's maximum reimbursement for a single event as calculated under subparagraph (e)6.* ~~the difference between the industry retention level calculated under paragraph (2)(e) and the $4 billion industry TEACO retention level.~~

~~c.~~ The TEACO premium associated with the $5 billion retention option *shall* ~~would~~ be equal to 75 percent of *a TEACO insurer's maximum reimbursement for a single event as calculated under subparagraph (e)6.* ~~the difference between the industry retention level calculated under paragraph (2)(e) and the $5 billion industry TEACO retention level.~~

~~3. Each insurer's TEACO premium shall be calculated based on its share of the total TEACO reimbursement premiums based on its coverage selection under the TEACO addendum.~~

(g) Effect on claims-paying capacity of the fund.—For the contract term commencing June 1, 2007, the contract year commencing June 1, 2008, and the contract term beginning June 1, 2009, the program created by this subsection shall increase the claims-paying capacity of the fund as provided in subparagraph (4)(c)1. by an amount equal to two times the difference between the industry retention level calculated under paragraph (2)(e) and the $3 billion industry TEACO retention level specified in sub-subparagraph (d)4.a. The additional capacity shall apply only to the additional coverage provided by the TEACO option and shall not otherwise affect any insurer's reimbursement from the fund.

Section 3. Paragraphs (b) and (g) of subsection (2) of section 215.5595, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, are amended, and paragraph (j) is added to that subsection, to read:

215.5595 Insurance Capital Build-Up Incentive Program.—

(2) The purpose of this section is to provide surplus notes to new or existing authorized residential property insurers under the Insurance Capital Build-Up Incentive Program administered by the State Board of Administration, under the following conditions:

(b) The insurer must contribute an amount of new capital to its surplus which is at least equal to the amount of the surplus note and must apply to the board by July 1, 2006. If an insurer applies after July 1, 2006, but before June 1, 2007, the amount of the surplus note is limited to one-half of the new capital that the insurer contributes to its surplus*, except that an insurer writing only manufactured housing policies is eligible to receive a surplus note in the amount of $7 million*. For purposes of this section, new capital must be in the form of cash or cash equivalents as specified in s. 625.012(1).

(g) The total amount of funds available for the program is limited to the amount appropriated by the Legislature for this purpose. If the amount of surplus notes requested by insurers exceeds the amount of funds available, the board may prioritize insurers that are eligible and approved, with priority for funding given to insurers writing only manufactured housing policies, regardless of the date of application, based on the financial strength of the insurer, the viability of its proposed business plan for writing additional residential property insurance in the state, and the effect on competition in the residential property insurance market. *Between insurers writing residential property insurance covering manufactured housing, priority shall be given to the insurer writing the highest percentage of its policies covering manufactured housing.*

(j) As used in this section, "an insurer writing only manufactured housing policies" includes:

1. A Florida domiciled insurer that begins writing personal lines residential manufactured housing policies in Florida after March 1, 2007, and that removes a minimum of 50,000 policies from Citizens Property Insurance Corporation without accepting a bonus, provided at least 25 percent of its policies cover manufactured housing. Such an insurer may count any funds above the minimum capital and surplus requirement that were contributed into the insurer after March 1, 2007, as new capital under this section.

2. A Florida domiciled insurer that writes at least 40 percent of its policies covering manufactured housing in Florida.

Section 4. Subsection (1) of section 624.407, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, is amended to read:

624.407 Capital funds required; new insurers.—

(1) To receive authority to transact any one kind or combinations of kinds of insurance, as defined in part V of this chapter, an insurer applying for its original certificate of authority in this state after the effective date of this section shall possess surplus as to policyholders not less than the greater of:

(a) Five million dollars for a property and casualty insurer, or $2.5 million for any other insurer;

(b) For life insurers, 4 percent of the insurer's total liabilities;

(c) For life and health insurers, 4 percent of the insurer's total liabilities, plus 6 percent of the insurer's liabilities relative to health insurance; or

(d) For all insurers other than life insurers and life and health insurers, 10 percent of the insurer's total liabilities;

however, a domestic insurer that transacts residential property insurance and is a wholly owned subsidiary of an insurer *domiciled* ~~authorized to do business~~ in any other state shall possess surplus as to policyholders of at least $50 million, but no insurer shall be required under this subsection to have surplus as to policyholders greater than $100 million.

Section 5. Section 624.46226, Florida Statutes, is created to read:

624.46226 Public housing authorities self-insurance funds.—Any two or more public housing authorities in the state as defined in chapter 421 may also create a self-insurance fund as defined in s. 624.4622 for the purpose of self-insuring real or personal property of every kind and every interest in such property against loss or damage from any hazard or cause and against any loss consequential to such loss or damage, provided all the provisions of s. 624.4622 are met.

Section 6. Subsection (4) of section 626.914, Florida Statutes, is amended to read:

626.914 Definitions.—As used in this Surplus Lines Law, the term:

(4) "Diligent effort" means seeking coverage from and having been rejected by at least three authorized insurers currently writing this type of coverage and documenting these rejections. *However, if the residential structure has a dwelling replacement cost of $1 million or more, the term means seeking coverage from and having been rejected by at least one authorized insurer currently writing this type of coverage and documenting this rejection.*

Section 7. Paragraph (e) is added to subsection (1) of section 626.916, Florida Statutes, to read:

626.916 Eligibility for export.—

(1) No insurance coverage shall be eligible for export unless it meets all of the following conditions:

(e) For personal residential property risks, the retail or producing agent must advise the insured in writing that coverage may be available and may be less expensive from Citizens Property Insurance Corporation. The notice must include other information that states that assessments by Citizens Property Insurance Corporation are higher and the coverage provided by Citizens Property Insurance Corporation may be less than the property's existing coverage. If the notice is signed by the insured, it is presumed that the insured has been informed and knows that policies from Citizens Property Insurance Corporation may be less expensive, may provide less coverage, and will be accompanied by higher assessments.

Section 8. Subsection (2) of section 626.9201, Florida Statutes, is amended to read:

626.9201 Notice of cancellation or nonrenewal.—

(2) An insurer issuing a policy providing coverage for property, casualty, surety, or marine insurance shall give the named insured written notice of cancellation or termination other than nonrenewal at least 45 days prior to the effective date of the cancellation or termination, including in the written notice the reason or reasons for the cancellation or termination, except that:

(a) When cancellation is for nonpayment of premium, at least 10 days' written notice of cancellation accompanied by the reason therefor shall be given. *As used in this paragraph, the term "nonpayment of premium" means the failure of the named insured to discharge when due any of his or her obligations in connection with the payment of premiums on a policy or an installment of such a premium, whether the premium or installment is payable directly to the insurer or its agent or indirectly under any plan for financing premiums or extension of credit or the failure of the named insured to maintain membership in an organization if such membership is a condition precedent to insurance coverage. The term also includes the failure of a financial institution to honor the check of an applicant for insurance which was delivered to a licensed agent for payment of a premium, even if the agent previously delivered or transferred the premium to the insurer. If a correctly dishonored check represents payment of the initial premium, the contract, and all contractual obligations are void ab initio unless the nonpayment is cured within the earlier of 5 days after actual notice by certified mail is received by the applicant or 15 days after notice is sent to the applicant by certified mail or registered mail, and, if the contract is void, any premium received by the insurer from a third party shall be refunded to that party in full*; and

(b) When such cancellation or termination occurs during the first 90 days during which the insurance is in force and the insurance is canceled or terminated for reasons other than nonpayment, at least 20 days' written notice of cancellation or termination accompanied by the reason therefor shall be given except where there has been a material misstatement or misrepresentation or failure to comply with the underwriting requirements established by the insurer.

Section 9. Subsection (4) of section 627.0613, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, is amended to read:

627.0613 Consumer advocate.—The Chief Financial Officer must appoint a consumer advocate who must represent the general public of the state before the department and the office. The consumer advocate must report directly to the Chief Financial Officer, but is not otherwise under the authority of the department or of any employee of the department. The consumer advocate has such powers as are necessary to carry out the duties of the office of consumer advocate, including, but not limited to, the powers to:

(4) Prepare an annual report card for each authorized *personal residential* property insurer, on a form and using a letter-grade scale developed by the commission by rule, which grades each insurer based on the following factors:

(a) The number and nature of consumer complaints*, as a market share ratio,* received by the department against the insurer.

(b) The disposition of all complaints received by the department.

(c) The average length of time for payment of claims by the insurer.

(d) Any other factors the commission identifies as assisting policyholders in making informed choices about homeowner's insurance.

Section 10. Paragraph (a) of subsection (2) of section 627.062, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, is amended, and subsection (11) is added to that section, to read:

627.062 Rate standards.—

(2) As to all such classes of insurance:

(a) Insurers or rating organizations shall establish and use rates, rating schedules, or rating manuals to allow the insurer a reasonable rate of return on such classes of insurance written in this state. A copy of rates, rating schedules, rating manuals, premium credits or discount schedules, and surcharge schedules, and changes thereto, shall be filed with the office under one of the following procedures except as provided in subparagraph 3.:

1. If the filing is made at least 90 days before the proposed effective date and the filing is not implemented during the office's review of the filing and any proceeding and judicial review, then such filing shall be considered a "file and use" filing. In such case, the office shall finalize its review by issuance of a notice of intent to approve or a notice of intent to disapprove within 90 days after receipt of the filing. The notice of intent to approve and the notice of intent to disapprove constitute agency action for purposes of the Administrative Procedure Act. Requests for supporting information, requests for mathematical or mechanical corrections, or notification to the insurer by the office of its preliminary findings shall not toll the 90-day period during any such proceedings and subsequent judicial review. The rate shall be deemed approved if the office does not issue a notice of intent to approve or a notice of intent to disapprove within 90 days after receipt of the filing.

2. If the filing is not made in accordance with the provisions of subparagraph 1., such filing shall be made as soon as practicable, but no later than 30 days after the effective date, and shall be considered a "use and file" filing. An insurer making a "use and file" filing is potentially subject to an order by the office to return to policyholders portions of rates found to be excessive, as provided in paragraph (h).

3. For all filings made *or submitted after January 25, 2007, but* ~~on or~~ before December 31, 2008, an insurer seeking a rate that is greater than the rate most recently approved by the office shall make a "file and

use" filing. *This subparagraph applies to property insurance only. For purposes of this subparagraph, motor vehicle collision and comprehensive coverages are not considered to be property coverages.*

The provisions of this subsection shall not apply to workers' compensation and employer's liability insurance and to motor vehicle insurance.

(11) Any interest paid pursuant to s. 627.70131(5) may not be included in the insurer's rate base and may not be used to justify a rate or rate change.

Section 11. Section 627.0655, Florida Statutes, as created by chapter 2007-1, Laws of Florida, is amended to read:

627.0655 Policyholder loss or expense-related premium discounts.—An insurer or person authorized to engage in the business of insurance in this state may include, in the premium charged an insured for any policy, contract, or certificate of insurance, a discount based on the fact that another policy, contract, or certificate of any type has been purchased by the insured *from the same insurer or insurer group*.

Section 12. Paragraphs (a), (b), (c), (d), (j), (m), and (r) of subsection (6) of section 627.351, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, are amended, and paragraph (ff) is added to that subsection, to read:

627.351 Insurance risk apportionment plans.—

(6) CITIZENS PROPERTY INSURANCE CORPORATION.—

(a)1. *It is the public purpose of this subsection to ensure the existence of an orderly market for property insurance for Floridians and Florida businesses. The Legislature finds that private insurers are unwilling or unable to provide affordable property insurance coverage in this state to the extent sought and needed. The absence of affordable property insurance threatens the public health, safety, and welfare and likewise threatens the economic health of the state. The state therefore has a compelling public interest and a public purpose to assist in assuring that property in the state is insured and that it is insured at affordable rates so as to facilitate the remediation, reconstruction, and replacement of damaged or destroyed property in order to reduce or avoid the negative effects otherwise resulting to the public health, safety, and welfare, to the economy of the state, and to the revenues of the state and local governments which are needed to provide for the public welfare. It is necessary, therefore, to provide affordable property insurance to applicants who are in good faith entitled to procure insurance through the voluntary market but are unable to do so. The Legislature intends by this subsection that affordable property insurance be provided and that it continue to be provided, as long as necessary, through Citizens Property Insurance Corporation, a government entity that is an integral part of the state, and that is not a private insurance company. To that end, Citizens Property Insurance Corporation shall strive to increase the availability of affordable property insurance in this state, while achieving efficiencies and economies, and while providing service to policyholders, applicants, and agents which is no less than the quality generally provided in the voluntary market, for the achievement of the foregoing public purposes. Because it is essential for this government entity to have the maximum financial resources to pay claims following a catastrophic hurricane, it is the intent of the Legislature that Citizens Property Insurance Corporation continue to be an integral part of the state and that the income of the corporation be exempt from federal income taxation and that interest on the debt obligations issued by the corporation be exempt from federal income taxation.* ~~The Legislature finds that actual and threatened catastrophic losses to property in this state from hurricanes have caused insurers to be unwilling or unable to provide property insurance coverage to the extent sought and needed. It is in the public interest and a public purpose to assist in assuring that property in the state is insured so as to facilitate the remediation, reconstruction, and replacement of damaged or destroyed property in order to reduce or avoid the negative effects otherwise resulting to the public health, safety, and welfare; to the economy of the state; and to the revenues of the state and local governments needed to provide for the public welfare. It is necessary, therefore, to provide property insurance to applicants who are in good faith entitled to procure insurance through the voluntary market but are unable to do so. The Legislature intends by this subsection that property insurance be provided and that it continues, as long as necessary, through an entity organized to achieve efficiencies and economies, while providing service to policyholders, applicants, and agents that is no less than the quality generally provided in the voluntary market, all toward the achievement of the foregoing public purposes. Because it is essential for the corporation to have the maximum financial resources to pay claims following a catastrophic hurricane, it is the intent of the Legislature that the income of the corporation be exempt from federal income taxation and that interest on the debt obligations issued by the corporation be exempt from federal income taxation.~~

2. The Residential Property and Casualty Joint Underwriting Association originally created by this statute shall be known, as of July 1, 2002, as the Citizens Property Insurance Corporation. The corporation shall provide insurance for residential and commercial property, for applicants who are in good faith entitled, but are unable, to procure insurance through the voluntary market. The corporation shall operate pursuant to a plan of operation approved by order of the Financial Services Commission. The plan is subject to continuous review by the commission. The commission may, by order, withdraw approval of all or part of a plan if the commission determines that conditions have changed since approval was granted and that the purposes of the plan require changes in the plan. The corporation shall continue to operate pursuant to the plan of operation approved by the Office of Insurance Regulation until October 1, 2006. For the purposes of this subsection, residential coverage includes both personal lines residential coverage, which consists of the type of coverage provided by homeowner's, mobile home owner's, dwelling, tenant's, condominium unit owner's, and similar policies, and commercial lines residential coverage, which consists of the type of coverage provided by condominium association, apartment building, and similar policies.

3. For the purposes of this subsection, the term "homestead property" means:

a. Property that has been granted a homestead exemption under chapter 196;

b. Property for which the owner has a current, written lease with a renter for a term of at least 7 months and for which the dwelling is insured by the corporation for $200,000 or less;

c. An owner-occupied mobile home or manufactured home, as defined in s. 320.01, which is permanently affixed to real property, is owned by a Florida resident, and has been granted a homestead exemption under chapter 196 or, if the owner does not own the real property, the owner certifies that the mobile home or manufactured home is his or her principal place of residence;

d. Tenant's coverage;

e. Commercial lines residential property; or

f. Any county, district, or municipal hospital; a hospital licensed by any not-for-profit corporation qualified under s. 501(c)(3) of the United States Internal Revenue Code; or a continuing care retirement community that is certified under chapter 651 and that receives an exemption from ad valorem taxes under chapter 196.

4. For the purposes of this subsection, the term "nonhomestead property" means property that is not homestead property.

5. Effective *January 1, 2009* ~~July 1, 2008~~, a personal lines residential structure that has a dwelling replacement cost of $1 million or more, or a single condominium unit that has a combined dwelling and content replacement cost of $1 million or more is not eligible for coverage by the corporation. Such dwellings insured by the corporation on *December 31, 2008* ~~June 30, 2008~~, may continue to be covered by the corporation until the end of the policy term. However, such dwellings that are insured by the corporation and become ineligible for coverage due to the provisions of this subparagraph may reapply and obtain coverage in the high-risk account and be considered "nonhomestead property" if the property owner provides the corporation with a sworn affidavit from one or more insurance agents, on a form provided by the corporation, stating that the agents have made their best efforts to obtain coverage and that the property has been rejected for coverage by at least one authorized insurer and at least three surplus lines insurers. If such conditions are met, the dwelling may be insured by the corporation for up to 3 years, after which time the dwelling is ineligible for coverage. The office shall approve the method used by the corporation for valuing the dwelling replacement cost for the purposes of this subparagraph. If a policyholder is insured by the corporation prior to being determined to be ineligible pursuant to this subparagraph and such policyholder files a lawsuit

challenging the determination, the policyholder may remain insured by the corporation until the conclusion of the litigation.

6. For properties constructed on or after January 1, 2009, the corporation may not insure any property located within 2,500 feet landward of the coastal construction control line created pursuant to s. 161.053 unless the property meets the requirements of the code-plus building standards developed by the Florida Building Commission.

7. It is the intent of the Legislature that policyholders, applicants, and agents of the corporation receive service and treatment of the highest possible level but never less than that generally provided in the voluntary market. It also is intended that the corporation be held to service standards no less than those applied to insurers in the voluntary market by the office with respect to responsiveness, timeliness, customer courtesy, and overall dealings with policyholders, applicants, or agents of the corporation.

(b)1. All insurers authorized to write one or more subject lines of business in this state are subject to assessment by the corporation and, for the purposes of this subsection, are referred to collectively as "assessable insurers." Insurers writing one or more subject lines of business in this state pursuant to part VIII of chapter 626 are not assessable insurers, but insureds who procure one or more subject lines of business in this state pursuant to part VIII of chapter 626 are subject to assessment by the corporation and are referred to collectively as "assessable insureds." An authorized insurer's assessment liability shall begin on the first day of the calendar year following the year in which the insurer was issued a certificate of authority to transact insurance for subject lines of business in this state and shall terminate 1 year after the end of the first calendar year during which the insurer no longer holds a certificate of authority to transact insurance for subject lines of business in this state.

2.a. All revenues, assets, liabilities, losses, and expenses of the corporation shall be divided into three separate accounts as follows:

(I) A personal lines account for personal residential policies issued by the corporation or issued by the Residential Property and Casualty Joint Underwriting Association and renewed by the corporation that provide comprehensive, multiperil coverage on risks that are not located in areas eligible for coverage in the Florida Windstorm Underwriting Association as those areas were defined on January 1, 2002, and for such policies that do not provide coverage for the peril of wind on risks that are located in such areas;

(II) A commercial lines account for commercial residential and commercial nonresidential policies issued by the corporation or issued by the Residential Property and Casualty Joint Underwriting Association and renewed by the corporation that provide coverage for basic property perils on risks that are not located in areas eligible for coverage in the Florida Windstorm Underwriting Association as those areas were defined on January 1, 2002, and for such policies that do not provide coverage for the peril of wind on risks that are located in such areas; and

(III) A high-risk account for personal residential policies and commercial residential and commercial nonresidential property policies issued by the corporation or transferred to the corporation that provide coverage for the peril of wind on risks that are located in areas eligible for coverage in the Florida Windstorm Underwriting Association as those areas were defined on January 1, 2002. Subject to the approval of a business plan by the Financial Services Commission and Legislative Budget Commission as provided in this sub-sub-subparagraph, but no earlier than March 31, 2007, the corporation may offer policies that provide multiperil coverage and the corporation shall continue to offer policies that provide coverage only for the peril of wind for risks located in areas eligible for coverage in the high-risk account. In issuing multiperil coverage, the corporation may use its approved policy forms and rates for the personal lines account. An applicant or insured who is eligible to purchase a multiperil policy from the corporation may purchase a multiperil policy from an authorized insurer without prejudice to the applicant's or insured's eligibility to prospectively purchase a policy that provides coverage only for the peril of wind from the corporation. An applicant or insured who is eligible for a corporation policy that provides coverage only for the peril of wind may elect to purchase or retain such policy and also purchase or retain coverage excluding wind from an authorized insurer without prejudice to the applicant's or insured's eligibility to prospectively purchase a policy that provides multiperil coverage from the corporation. It is the goal of the Legislature that there would be an overall average savings of 10 percent or more for a policyholder who currently has a wind-only policy with the corporation, and an ex-wind policy with a voluntary insurer or the corporation, and who then obtains a multiperil policy from the corporation. It is the intent of the Legislature that the offer of multiperil coverage in the high-risk account be made and implemented in a manner that does not adversely affect the tax-exempt status of the corporation or creditworthiness of or security for currently outstanding financing obligations or credit facilities of the high-risk account, the personal lines account, or the commercial lines account. By March 1, 2007, the corporation shall prepare and submit for approval by the Financial Services Commission and Legislative Budget Commission a report detailing the corporation's business plan for issuing multiperil coverage in the high-risk account. The business plan shall be approved or disapproved within 30 days after receipt, as submitted or modified and resubmitted by the corporation. The business plan must include: the impact of such multiperil coverage on the corporation's financial resources, the impact of such multiperil coverage on the corporation's tax-exempt status, the manner in which the corporation plans to implement the processing of applications and policy forms for new and existing policyholders, the impact of such multiperil coverage on the corporation's ability to deliver customer service at the high level required by this subsection, the ability of the corporation to process claims, the ability of the corporation to quote and issue policies, the impact of such multiperil coverage on the corporation's agents, the impact of such multiperil coverage on the corporation's existing policyholders, and the impact of such multiperil coverage on rates and premium. The high-risk account must also include quota share primary insurance under subparagraph (c)2. The area eligible for coverage under the high-risk account also includes the area within Port Canaveral, which is bordered on the south by the City of Cape Canaveral, bordered on the west by the Banana River, and bordered on the north by Federal Government property.

b. The three separate accounts must be maintained as long as financing obligations entered into by the Florida Windstorm Underwriting Association or Residential Property and Casualty Joint Underwriting Association are outstanding, in accordance with the terms of the corresponding financing documents. When the financing obligations are no longer outstanding, in accordance with the terms of the corresponding financing documents, the corporation may use a single account for all revenues, assets, liabilities, losses, and expenses of the corporation. Consistent with the requirement of this subparagraph and prudent investment policies that minimize the cost of carrying debt, the board shall exercise its best efforts to retire existing debt or to obtain approval of necessary parties to amend the terms of existing debt, so as to structure the most efficient plan to consolidate the three separate accounts into a single account. By February 1, 2007, the board shall submit a report to the Financial Services Commission, the President of the Senate, and the Speaker of the House of Representatives which includes an analysis of consolidating the accounts, the actions the board has taken to minimize the cost of carrying debt, and its recommendations for executing the most efficient plan.

c. Creditors of the Residential Property and Casualty Joint Underwriting Association *and of the accounts specified in sub-sub-subparagraphs a.(I) and (II) may* ~~shall~~ have a claim against, and recourse to, the accounts referred to in sub-sub-subparagraphs a.(I) and (II) and shall have no claim against, or recourse to, the account referred to in sub-sub-subparagraph a.(III). Creditors of the Florida Windstorm Underwriting Association shall have a claim against, and recourse to, the account referred to in sub-sub-subparagraph a.(III) and shall have no claim against, or recourse to, the accounts referred to in sub-sub-subparagraphs a.(I) and (II).

d. Revenues, assets, liabilities, losses, and expenses not attributable to particular accounts shall be prorated among the accounts.

e. The Legislature finds that the revenues of the corporation are revenues that are necessary to meet the requirements set forth in documents authorizing the issuance of bonds under this subsection.

f. No part of the income of the corporation may inure to the benefit of any private person.

3. With respect to a deficit in an account:

a. When the deficit incurred in a particular calendar year is not greater than 10 percent of the aggregate statewide direct written premium for the subject lines of business for the prior calendar year, the

entire deficit shall be recovered through regular assessments of assessable insurers under paragraph (p) and assessable insureds.

b. When the deficit incurred in a particular calendar year exceeds 10 percent of the aggregate statewide direct written premium for the subject lines of business for the prior calendar year, the corporation shall levy regular assessments on assessable insurers under paragraph (p) and on assessable insureds in an amount equal to the greater of 10 percent of the deficit or 10 percent of the aggregate statewide direct written premium for the subject lines of business for the prior calendar year. Any remaining deficit shall be recovered through emergency assessments under sub-subparagraph d.

c. Each assessable insurer's share of the amount being assessed under sub-subparagraph a. or sub-subparagraph b. shall be in the proportion that the assessable insurer's direct written premium for the subject lines of business for the year preceding the assessment bears to the aggregate statewide direct written premium for the subject lines of business for that year. The assessment percentage applicable to each assessable insured is the ratio of the amount being assessed under sub-subparagraph a. or sub-subparagraph b. to the aggregate statewide direct written premium for the subject lines of business for the prior year. Assessments levied by the corporation on assessable insurers under sub-subparagraphs a. and b. shall be paid as required by the corporation's plan of operation and paragraph (p). Notwithstanding any other provision of this subsection, the aggregate amount of a regular assessment for a deficit incurred in a particular calendar year shall be reduced by the estimated amount to be received by the corporation from the Citizens policyholder surcharge under subparagraph (c)*10.*~~11.~~ and the amount collected or estimated to be collected from the assessment on Citizens policyholders pursuant to sub-subparagraph i. Assessments levied by the corporation on assessable insureds under sub-subparagraphs a. and b. shall be collected by the surplus lines agent at the time the surplus lines agent collects the surplus lines tax required by s. 626.932 and shall be paid to the Florida Surplus Lines Service Office at the time the surplus lines agent pays the surplus lines tax to the Florida Surplus Lines Service Office. Upon receipt of regular assessments from surplus lines agents, the Florida Surplus Lines Service Office shall transfer the assessments directly to the corporation as determined by the corporation.

d. Upon a determination by the board of governors that a deficit in an account exceeds the amount that will be recovered through regular assessments under sub-subparagraph a. or sub-subparagraph b., the board shall levy, after verification by the office, emergency assessments, for as many years as necessary to cover the deficits, to be collected by assessable insurers and the corporation and collected from assessable insureds upon issuance or renewal of policies for subject lines of business, excluding National Flood Insurance policies. The amount of the emergency assessment collected in a particular year shall be a uniform percentage of that year's direct written premium for subject lines of business and all accounts of the corporation, excluding National Flood Insurance Program policy premiums, as annually determined by the board and verified by the office. The office shall verify the arithmetic calculations involved in the board's determination within 30 days after receipt of the information on which the determination was based. Notwithstanding any other provision of law, the corporation and each assessable insurer that writes subject lines of business shall collect emergency assessments from its policyholders without such obligation being affected by any credit, limitation, exemption, or deferment. Emergency assessments levied by the corporation on assessable insureds shall be collected by the surplus lines agent at the time the surplus lines agent collects the surplus lines tax required by s. 626.932 and shall be paid to the Florida Surplus Lines Service Office at the time the surplus lines agent pays the surplus lines tax to the Florida Surplus Lines Service Office. The emergency assessments so collected shall be transferred directly to the corporation on a periodic basis as determined by the corporation and shall be held by the corporation solely in the applicable account. The aggregate amount of emergency assessments levied for an account under this sub-subparagraph in any calendar year may not exceed the greater of 10 percent of the amount needed to cover the original deficit, plus interest, fees, commissions, required reserves, and other costs associated with financing of the original deficit, or 10 percent of the aggregate statewide direct written premium for subject lines of business and for all accounts of the corporation for the prior year, plus interest, fees, commissions, required reserves, and other costs associated with financing the original deficit.

e. The corporation may pledge the proceeds of assessments, projected recoveries from the Florida Hurricane Catastrophe Fund, other insurance and reinsurance recoverables, policyholder surcharges and other surcharges, and other funds available to the corporation as the source of revenue for and to secure bonds issued under paragraph (p), bonds or other indebtedness issued under subparagraph (c)3., or lines of credit or other financing mechanisms issued or created under this subsection, or to retire any other debt incurred as a result of deficits or events giving rise to deficits, or in any other way that the board determines will efficiently recover such deficits. The purpose of the lines of credit or other financing mechanisms is to provide additional resources to assist the corporation in covering claims and expenses attributable to a catastrophe. As used in this subsection, the term "assessments" includes regular assessments under sub-subparagraph a., sub-subparagraph b., or subparagraph (p)1. and emergency assessments under sub-subparagraph d. Emergency assessments collected under sub-subparagraph d. are not part of an insurer's rates, are not premium, and are not subject to premium tax, fees, or commissions; however, failure to pay the emergency assessment shall be treated as failure to pay premium. The emergency assessments under sub-subparagraph d. shall continue as long as any bonds issued or other indebtedness incurred with respect to a deficit for which the assessment was imposed remain outstanding, unless adequate provision has been made for the payment of such bonds or other indebtedness pursuant to the documents governing such bonds or other indebtedness.

f. As used in this subsection *for purposes of any deficit incurred on or after January 25, 2007*, the term "subject lines of business" means insurance written by assessable insurers or procured by assessable insureds for all property and casualty lines of business in this state, but not including workers' compensation or medical malpractice. As used in the sub-subparagraph, the term "property and casualty lines of business" includes all lines of business identified on Form 2, Exhibit of Premiums and Losses, in the annual statement required of authorized insurers by s. 624.424 and any rule adopted under this section, except for those lines identified as accident and health insurance and except for policies written under the National Flood Insurance Program or the Federal Crop Insurance Program. For purposes of this sub-subparagraph, the term "workers' compensation" includes both workers' compensation insurance and excess workers' compensation insurance.

g. The Florida Surplus Lines Service Office shall determine annually the aggregate statewide written premium in subject lines of business procured by assessable insureds and shall report that information to the corporation in a form and at a time the corporation specifies to ensure that the corporation can meet the requirements of this subsection and the corporation's financing obligations.

h. The Florida Surplus Lines Service Office shall verify the proper application by surplus lines agents of assessment percentages for regular assessments and emergency assessments levied under this subparagraph on assessable insureds and shall assist the corporation in ensuring the accurate, timely collection and payment of assessments by surplus lines agents as required by the corporation.

i. If a deficit is incurred in any account in 2008 or thereafter, the board of governors shall levy an immediate assessment against the premium of each nonhomestead property policyholder in all accounts of the corporation, as a uniform percentage of the premium of the policy of up to 10 percent of such premium, which funds shall be used to offset the deficit. If this assessment is insufficient to eliminate the deficit, the board of governors shall levy an additional assessment against all policyholders of the corporation, which shall be collected at the time of issuance or renewal of a policy, as a uniform percentage of the premium for the policy of up to 10 percent of such premium, which funds shall be used to further offset the deficit.

j. The board of governors shall maintain separate accounting records that consolidate data for nonhomestead properties, including, but not limited to, number of policies, insured values, premiums written, and losses. The board of governors shall annually report to the office and the Legislature a summary of such data.

(c) The plan of operation of the corporation:

1. Must provide for adoption of residential property and casualty insurance policy forms and commercial residential and nonresidential property insurance forms, which forms must be approved by the office prior to use. The corporation shall adopt the following policy forms:

a. Standard personal lines policy forms that are comprehensive multiperil policies providing full coverage of a residential property equivalent to the coverage provided in the private insurance market under an HO-3, HO-4, or HO-6 policy.

b. Basic personal lines policy forms that are policies similar to an HO-8 policy or a dwelling fire policy that provide coverage meeting the requirements of the secondary mortgage market, but which coverage is more limited than the coverage under a standard policy.

c. Commercial lines residential and nonresidential policy forms that are generally similar to the basic perils of full coverage obtainable for commercial residential structures and commercial nonresidential structures in the admitted voluntary market.

d. Personal lines and commercial lines residential property insurance forms that cover the peril of wind only. The forms are applicable only to residential properties located in areas eligible for coverage under the high-risk account referred to in sub-subparagraph (b)2.a.

e. Commercial lines nonresidential property insurance forms that cover the peril of wind only. The forms are applicable only to nonresidential properties located in areas eligible for coverage under the high-risk account referred to in sub-subparagraph (b)2.a.

f. The corporation may adopt variations of the policy forms listed in sub-subparagraphs a.-e. that contain more restrictive coverage.

2.a. Must provide that the corporation adopt a program in which the corporation and authorized insurers enter into quota share primary insurance agreements for hurricane coverage, as defined in s. 627.4025(2)(a), for eligible risks, and adopt property insurance forms for eligible risks which cover the peril of wind only. As used in this subsection, the term:

(I) "Quota share primary insurance" means an arrangement in which the primary hurricane coverage of an eligible risk is provided in specified percentages by the corporation and an authorized insurer. The corporation and authorized insurer are each solely responsible for a specified percentage of hurricane coverage of an eligible risk as set forth in a quota share primary insurance agreement between the corporation and an authorized insurer and the insurance contract. The responsibility of the corporation or authorized insurer to pay its specified percentage of hurricane losses of an eligible risk, as set forth in the quota share primary insurance agreement, may not be altered by the inability of the other party to the agreement to pay its specified percentage of hurricane losses. Eligible risks that are provided hurricane coverage through a quota share primary insurance arrangement must be provided policy forms that set forth the obligations of the corporation and authorized insurer under the arrangement, clearly specify the percentages of quota share primary insurance provided by the corporation and authorized insurer, and conspicuously and clearly state that neither the authorized insurer nor the corporation may be held responsible beyond its specified percentage of coverage of hurricane losses.

(II) "Eligible risks" means personal lines residential and commercial lines residential risks that meet the underwriting criteria of the corporation and are located in areas that were eligible for coverage by the Florida Windstorm Underwriting Association on January 1, 2002.

b. The corporation may enter into quota share primary insurance agreements with authorized insurers at corporation coverage levels of 90 percent and 50 percent.

c. If the corporation determines that additional coverage levels are necessary to maximize participation in quota share primary insurance agreements by authorized insurers, the corporation may establish additional coverage levels. However, the corporation's quota share primary insurance coverage level may not exceed 90 percent.

d. Any quota share primary insurance agreement entered into between an authorized insurer and the corporation must provide for a uniform specified percentage of coverage of hurricane losses, by county or territory as set forth by the corporation board, for all eligible risks of the authorized insurer covered under the quota share primary insurance agreement.

e. Any quota share primary insurance agreement entered into between an authorized insurer and the corporation is subject to review and approval by the office. However, such agreement shall be authorized only as to insurance contracts entered into between an authorized insurer and an insured who is already insured by the corporation for wind coverage.

f. For all eligible risks covered under quota share primary insurance agreements, the exposure and coverage levels for both the corporation and authorized insurers shall be reported by the corporation to the Florida Hurricane Catastrophe Fund. For all policies of eligible risks covered under quota share primary insurance agreements, the corporation and the authorized insurer shall maintain complete and accurate records for the purpose of exposure and loss reimbursement audits as required by Florida Hurricane Catastrophe Fund rules. The corporation and the authorized insurer shall each maintain duplicate copies of policy declaration pages and supporting claims documents.

g. The corporation board shall establish in its plan of operation standards for quota share agreements which ensure that there is no discriminatory application among insurers as to the terms of quota share agreements, pricing of quota share agreements, incentive provisions if any, and consideration paid for servicing policies or adjusting claims.

h. The quota share primary insurance agreement between the corporation and an authorized insurer must set forth the specific terms under which coverage is provided, including, but not limited to, the sale and servicing of policies issued under the agreement by the insurance agent of the authorized insurer producing the business, the reporting of information concerning eligible risks, the payment of premium to the corporation, and arrangements for the adjustment and payment of hurricane claims incurred on eligible risks by the claims adjuster and personnel of the authorized insurer. Entering into a quota sharing insurance agreement between the corporation and an authorized insurer shall be voluntary and at the discretion of the authorized insurer.

3. May provide that the corporation may employ or otherwise contract with individuals or other entities to provide administrative or professional services that may be appropriate to effectuate the plan. The corporation shall have the power to borrow funds, by issuing bonds or by incurring other indebtedness, and shall have other powers reasonably necessary to effectuate the requirements of this subsection, including, without limitation, the power to issue bonds and incur other indebtedness in order to refinance outstanding bonds or other indebtedness. The corporation may, but is not required to, seek judicial validation of its bonds or other indebtedness under chapter 75. The corporation may issue bonds or incur other indebtedness, or have bonds issued on its behalf by a unit of local government pursuant to subparagraph *(p)2.* ~~(g)2.~~, in the absence of a hurricane or other weather-related event, upon a determination by the corporation, subject to approval by the office, that such action would enable it to efficiently meet the financial obligations of the corporation and that such financings are reasonably necessary to effectuate the requirements of this subsection. The corporation is authorized to take all actions needed to facilitate tax-free status for any such bonds or indebtedness, including formation of trusts or other affiliated entities. The corporation shall have the authority to pledge assessments, projected recoveries from the Florida Hurricane Catastrophe Fund, other reinsurance recoverables, market equalization and other surcharges, and other funds available to the corporation as security for bonds or other indebtedness. In recognition of s. 10, Art. I of the State Constitution, prohibiting the impairment of obligations of contracts, it is the intent of the Legislature that no action be taken whose purpose is to impair any bond indenture or financing agreement or any revenue source committed by contract to such bond or other indebtedness.

4.a. Must require that the corporation operate subject to the supervision and approval of a board of governors consisting of eight individuals who are residents of this state, from different geographical areas of this state. The Governor, the Chief Financial Officer, the President of the Senate, and the Speaker of the House of Representatives shall each appoint two members of the board. At least one of the two members appointed by each appointing officer must have demonstrated expertise in insurance. The Chief Financial Officer shall designate one of the appointees as chair. All board members serve at the pleasure of the appointing officer. All members of the board of governors are subject to removal at will by the officers who appointed them. All board members, including the chair, must be appointed to serve for 3-year terms beginning annually on a date designated by the plan. Any board vacancy shall be filled for the unexpired term by the appointing officer. The Chief

Financial Officer shall appoint a technical advisory group to provide information and advice to the board of governors in connection with the board's duties under this subsection. The executive director and senior managers of the corporation shall be engaged by the board and serve at the pleasure of the board. Any executive director appointed on or after July 1, 2006, is subject to confirmation by the Senate. The executive director is responsible for employing other staff as the corporation may require, subject to review and concurrence by the board.

b. The board shall create a Market Accountability Advisory Committee to assist the corporation in developing awareness of its rates and its customer and agent service levels in relationship to the voluntary market insurers writing similar coverage. The members of the advisory committee shall consist of the following 11 persons, one of whom must be elected chair by the members of the committee: four representatives, one appointed by the Florida Association of Insurance Agents, one by the Florida Association of Insurance and Financial Advisors, one by the Professional Insurance Agents of Florida, and one by the Latin American Association of Insurance Agencies; three representatives appointed by the insurers with the three highest voluntary market share of residential property insurance business in the state; one representative from the Office of Insurance Regulation; one consumer appointed by the board who is insured by the corporation at the time of appointment to the committee; one representative appointed by the Florida Association of Realtors; and one representative appointed by the Florida Bankers Association. All members must serve for 3-year terms and may serve for consecutive terms. The committee shall report to the corporation at each board meeting on insurance market issues which may include rates and rate competition with the voluntary market; service, including policy issuance, claims processing, and general responsiveness to policyholders, applicants, and agents; and matters relating to depopulation.

5. Must provide a procedure for determining the eligibility of a risk for coverage, as follows:

a. Subject to the provisions of s. 627.3517, with respect to personal lines residential risks, if the risk is offered coverage from an authorized insurer at the insurer's approved rate under either a standard policy including wind coverage or, if consistent with the insurer's underwriting rules as filed with the office, a basic policy including wind coverage, for a new application to the corporation for coverage, the risk is not eligible for any policy issued by the corporation unless the premium for coverage from the authorized insurer is more than *15* ~~25~~ percent greater than the premium for comparable coverage from the corporation. If the risk is not able to obtain any such offer, the risk is eligible for either a standard policy including wind coverage or a basic policy including wind coverage issued by the corporation; however, if the risk could not be insured under a standard policy including wind coverage regardless of market conditions, the risk shall be eligible for a basic policy including wind coverage unless rejected under subparagraph *9.* ~~8.~~ However, with regard to a policyholder of the corporation *or a policyholder removed from the corporation through an assumption agreement until the end of the assumption period*, the policyholder remains eligible for coverage from the corporation regardless of any offer of coverage from an authorized insurer or surplus lines insurer. The corporation shall determine the type of policy to be provided on the basis of objective standards specified in the underwriting manual and based on generally accepted underwriting practices.

(I) If the risk accepts an offer of coverage through the market assistance plan or an offer of coverage through a mechanism established by the corporation before a policy is issued to the risk by the corporation or during the first 30 days of coverage by the corporation, and the producing agent who submitted the application to the plan or to the corporation is not currently appointed by the insurer, the insurer shall:

(A) Pay to the producing agent of record of the policy, for the first year, an amount that is the greater of the insurer's usual and customary commission for the type of policy written or a fee equal to the usual and customary commission of the corporation; or

(B) Offer to allow the producing agent of record of the policy to continue servicing the policy for a period of not less than 1 year and offer to pay the agent the greater of the insurer's or the corporation's usual and customary commission for the type of policy written.

If the producing agent is unwilling or unable to accept appointment, the new insurer shall pay the agent in accordance with sub-sub-sub-subparagraph (A).

(II) When the corporation enters into a contractual agreement for a take-out plan, the producing agent of record of the corporation policy is entitled to retain any unearned commission on the policy, and the insurer shall:

(A) Pay to the producing agent of record of the corporation policy, for the first year, an amount that is the greater of the insurer's usual and customary commission for the type of policy written or a fee equal to the usual and customary commission of the corporation; or

(B) Offer to allow the producing agent of record of the corporation policy to continue servicing the policy for a period of not less than 1 year and offer to pay the agent the greater of the insurer's or the corporation's usual and customary commission for the type of policy written.

If the producing agent is unwilling or unable to accept appointment, the new insurer shall pay the agent in accordance with sub-sub-sub-subparagraph (A).

b. With respect to commercial lines residential risks, for a new application to the corporation for coverage, if the risk is offered coverage under a policy including wind coverage from an authorized insurer at its approved rate, the risk is not eligible for any policy issued by the corporation unless the premium for coverage from the authorized insurer is more than *15* ~~25~~ percent greater than the premium for comparable coverage from the corporation. If the risk is not able to obtain any such offer, the risk is eligible for a policy including wind coverage issued by the corporation. However, with regard to a policyholder of the corporation *or a policyholder removed from the corporation through an assumption agreement until the end of the assumption period*, the policyholder remains eligible for coverage from the corporation regardless of any offer of coverage from an authorized insurer or surplus lines insurer.

(I) If the risk accepts an offer of coverage through the market assistance plan or an offer of coverage through a mechanism established by the corporation before a policy is issued to the risk by the corporation or during the first 30 days of coverage by the corporation, and the producing agent who submitted the application to the plan or the corporation is not currently appointed by the insurer, the insurer shall:

(A) Pay to the producing agent of record of the policy, for the first year, an amount that is the greater of the insurer's usual and customary commission for the type of policy written or a fee equal to the usual and customary commission of the corporation; or

(B) Offer to allow the producing agent of record of the policy to continue servicing the policy for a period of not less than 1 year and offer to pay the agent the greater of the insurer's or the corporation's usual and customary commission for the type of policy written.

If the producing agent is unwilling or unable to accept appointment, the new insurer shall pay the agent in accordance with sub-sub-sub-subparagraph (A).

(II) When the corporation enters into a contractual agreement for a take-out plan, the producing agent of record of the corporation policy is entitled to retain any unearned commission on the policy, and the insurer shall:

(A) Pay to the producing agent of record of the corporation policy, for the first year, an amount that is the greater of the insurer's usual and customary commission for the type of policy written or a fee equal to the usual and customary commission of the corporation; or

(B) Offer to allow the producing agent of record of the corporation policy to continue servicing the policy for a period of not less than 1 year and offer to pay the agent the greater of the insurer's or the corporation's usual and customary commission for the type of policy written.

If the producing agent is unwilling or unable to accept appointment, the new insurer shall pay the agent in accordance with sub-sub-sub-subparagraph (A).

c. For purposes of determining comparable coverage under sub-subparagraphs a. and b., the comparison shall be based on those forms and coverages that are reasonably comparable. The corporation may rely on a determination of comparable coverage and premium made by the producing agent who submits the application to the corporation, made in the agent's capacity as the corporation's agent. A comparison may be made solely of the premium with respect to the main building or structure

only on the following basis: the same coverage A or other building limits; the same percentage hurricane deductible that applies on an annual basis or that applies to each hurricane for commercial residential property; the same percentage of ordinance and law coverage, if the same limit is offered by both the corporation and the authorized insurer; the same mitigation credits, to the extent the same types of credits are offered both by the corporation and the authorized insurer; the same method for loss payment, such as replacement cost or actual cash value, if the same method is offered both by the corporation and the authorized insurer in accordance with underwriting rules; and any other form or coverage that is reasonably comparable as determined by the board. If an application is submitted to the corporation for wind-only coverage in the high-risk account, the premium for the corporation's wind-only policy plus the premium for the ex-wind policy that is offered by an authorized insurer to the applicant shall be compared to the premium for multiperil coverage offered by an authorized insurer, subject to the standards for comparison specified in this subparagraph. If the corporation or the applicant requests from the authorized insurer a breakdown of the premium of the offer by types of coverage so that a comparison may be made by the corporation or its agent and the authorized insurer refuses or is unable to provide such information, the corporation may treat the offer as not being an offer of coverage from an authorized insurer at the insurer's approved rate.

~~6. Must provide by July 1, 2007, that an application for coverage for a new policy is subject to a waiting period of 10 days before coverage is effective, during which time the corporation shall make such application available for review by general lines agents and authorized property and casualty insurers. The board shall approve an exception that allows for coverage to be effective before the end of the 10-day waiting period, for coverage issued in conjunction with a real estate closing. The board may approve such other exceptions as the board determines are necessary to prevent lapses in coverage.~~

6.~~7.~~ Must include rules for classifications of risks and rates therefor.

7.~~8.~~ Must provide that if premium and investment income for an account attributable to a particular calendar year are in excess of projected losses and expenses for the account attributable to that year, such excess shall be held in surplus in the account. Such surplus shall be available to defray deficits in that account as to future years and shall be used for that purpose prior to assessing assessable insurers and assessable insureds as to any calendar year.

8.~~9.~~ Must provide objective criteria and procedures to be uniformly applied for all applicants in determining whether an individual risk is so hazardous as to be uninsurable. In making this determination and in establishing the criteria and procedures, the following shall be considered:

a. Whether the likelihood of a loss for the individual risk is substantially higher than for other risks of the same class; and

b. Whether the uncertainty associated with the individual risk is such that an appropriate premium cannot be determined.

The acceptance or rejection of a risk by the corporation shall be construed as the private placement of insurance, and the provisions of chapter 120 shall not apply.

9.~~10.~~ Must provide that the corporation shall make its best efforts to procure catastrophe reinsurance at reasonable rates, to cover its projected 100-year probable maximum loss as determined by the board of governors.

10.~~11.~~ Must provide that in the event of regular deficit assessments under sub-subparagraph (b)3.a. or sub-subparagraph (b)3.b., in the personal lines account, the commercial lines residential account, or the high-risk account, the corporation shall levy upon corporation policyholders in its next rate filing, or by a separate rate filing solely for this purpose, a Citizens policyholder surcharge arising from a regular assessment in such account in a percentage equal to the total amount of such regular assessments divided by the aggregate statewide direct written premium for subject lines of business for the prior calendar year. For purposes of calculating the Citizens policyholder surcharge to be levied under this subparagraph, the total amount of the regular assessment to which this surcharge is related shall be determined as set forth in subparagraph (b)3., without deducting the estimated Citizens policyholder surcharge. Citizens policyholder surcharges under this subparagraph are not considered premium and are not subject to commissions, fees, or premium taxes; however, failure to pay a market equalization surcharge shall be treated as failure to pay premium.

11.~~12.~~ The policies issued by the corporation must provide that, if the corporation or the market assistance plan obtains an offer from an authorized insurer to cover the risk at its approved rates, the risk is no longer eligible for renewal through the corporation, except as otherwise provided in this subsection.

12.~~13.~~ Corporation policies and applications must include a notice that the corporation policy could, under this section, be replaced with a policy issued by an authorized insurer that does not provide coverage identical to the coverage provided by the corporation. The notice shall also specify that acceptance of corporation coverage creates a conclusive presumption that the applicant or policyholder is aware of this potential.

13.~~14.~~ May establish, subject to approval by the office, different eligibility requirements and operational procedures for any line or type of coverage for any specified county or area if the board determines that such changes to the eligibility requirements and operational procedures are justified due to the voluntary market being sufficiently stable and competitive in such area or for such line or type of coverage and that consumers who, in good faith, are unable to obtain insurance through the voluntary market through ordinary methods would continue to have access to coverage from the corporation. When coverage is sought in connection with a real property transfer, such requirements and procedures shall not provide for an effective date of coverage later than the date of the closing of the transfer as established by the transferor, the transferee, and, if applicable, the lender.

14.~~15.~~ Must provide that, with respect to the high-risk account, any assessable insurer with a surplus as to policyholders of $25 million or less writing 25 percent or more of its total countrywide property insurance premiums in this state may petition the office, within the first 90 days of each calendar year, to qualify as a limited apportionment company. A regular assessment levied by the corporation on a limited apportionment company for a deficit incurred by the corporation for the high-risk account in 2006 or thereafter may be paid to the corporation on a monthly basis as the assessments are collected by the limited apportionment company from its insureds pursuant to s. 627.3512, but the regular assessment must be paid in full within 12 months after being levied by the corporation. A limited apportionment company shall collect from its policyholders any emergency assessment imposed under sub-subparagraph (b)3.d. The plan shall provide that, if the office determines that any regular assessment will result in an impairment of the surplus of a limited apportionment company, the office may direct that all or part of such assessment be deferred as provided in subparagraph *(p)4.* ~~(g)4.~~ However, there shall be no limitation or deferment of an emergency assessment to be collected from policyholders under sub-subparagraph (b)3.d.

15.~~16.~~ Must provide that the corporation appoint as its licensed agents only those agents who also hold an appointment as defined in s. 626.015(3) with an insurer who at the time of the agent's initial appointment by the corporation is authorized to write and is actually writing personal lines residential property coverage, commercial residential property coverage, or commercial nonresidential property coverage within the state.

16.~~17.~~ Must provide, by July 1, 2007, a premium payment plan option to its policyholders which allows *at a minimum* for quarterly and semiannual payment of premiums. *A monthly payment plan may, but is not required to, be offered.*

~~18. Must provide, effective June 1, 2007, that the corporation contract with each insurer providing the non-wind coverage for risks insured by the corporation in the high-risk account, requiring that the insurer provide claims adjusting services for the wind coverage provided by the corporation for such risks. An insurer is required to enter into this contract as a condition of providing non-wind coverage for a risk that is insured by the corporation in the high-risk account unless the board finds, after a hearing, that the insurer is not capable of providing adjusting services at an acceptable level of quality to corporation policyholders. The terms and conditions of such contracts must be substantially the same as the contracts that the corporation executed with insurers under the "adjust-your-own" program in 2006, except as may be mutually agreed to by the parties and except for such changes that the board~~

~~determines are necessary to ensure that claims are adjusted appropriately. The corporation shall provide a process for neutral arbitration of any dispute between the corporation and the insurer regarding the terms of the contract. The corporation shall review and monitor the performance of insurers under these contracts.~~

17.~~19.~~ Must limit coverage on mobile homes or manufactured homes built prior to 1994 to actual cash value of the dwelling rather than replacement costs of the dwelling.

18.~~20.~~ May provide such limits of coverage as the board determines, consistent with the requirements of this subsection.

19.~~21.~~ May require commercial property to meet specified hurricane mitigation construction features as a condition of eligibility for coverage.

(d)1. All prospective employees for senior management positions, as defined by the plan of operation, are subject to background checks as a prerequisite for employment. The office shall conduct background checks on such prospective employees pursuant to ss. 624.34, 624.404(3), and 628.261.

2. On or before July 1 of each year, employees of the corporation are required to sign and submit a statement attesting that they do not have a conflict of interest, as defined in part III of chapter 112. As a condition of employment, all prospective employees are required to sign and submit to the corporation a conflict-of-interest statement.

3. Senior managers and members of the board of governors are subject to the provisions of part III of chapter 112, including, but not limited to, the code of ethics and public disclosure and reporting of financial interests, pursuant to s. 112.3145. Senior managers and board members are also required to file such disclosures with the *Commission on Ethics and the* Office of Insurance Regulation. The executive director of the corporation or his or her designee shall notify each newly appointed and existing appointed member of the board of governors and senior managers of their duty to comply with the reporting requirements of part III of chapter 112. At least quarterly, the executive director or his or her designee shall submit to the Commission on Ethics a list of names of the senior managers and members of the board of governors who are subject to the public disclosure requirements under s. 112.3145.

4. Notwithstanding s. 112.3148 or s. 112.3149, or any other provision of law, an employee or board member may not knowingly accept, directly or indirectly, any gift or expenditure from a person or entity, or an employee or representative of such person or entity, that has a contractual relationship with the corporation or who is under consideration for a contract. An employee or board member who fails to comply with *subparagraph 3. or* this subparagraph is subject to penalties provided under ss. 112.317 and 112.3173.

5. Any senior manager of the corporation who is employed on or after January 1, 2007, regardless of the date of hire, who subsequently retires or terminates employment is prohibited from representing another person or entity before the corporation for 2 years after retirement or termination of employment from the corporation.

6. Any *senior manager* ~~employee~~ of the corporation who is employed on or after January 1, 2007, regardless of the date of hire, who subsequently retires or terminates employment is prohibited from having any employment or contractual relationship for 2 years with an insurer that has *entered into* ~~received~~ a take-out bonus *agreement with* ~~from~~ the corporation.

(j)1. The corporation shall establish and maintain a unit or division to investigate possible fraudulent claims by insureds or by persons making claims for services or repairs against policies held by insureds; or it may contract with others to investigate possible fraudulent claims for services or repairs against policies held by the corporation pursuant to s. 626.9891. The corporation must comply with reporting requirements of s. 626.9891. An employee of the corporation shall notify the *corporation's Office of the Internal Auditor and the* Division of Insurance Fraud within 48 hours after having information that would lead a reasonable person to suspect that fraud may have been committed by any employee of the corporation.

2. The corporation shall establish a unit or division responsible for receiving and responding to consumer complaints, which unit or division is the sole responsibility of a senior manager of the corporation.

(m)1. Rates for coverage provided by the corporation shall be actuarially sound and subject to the requirements of s. 627.062, except as otherwise provided in this paragraph. The corporation shall file its recommended rates with the office at least annually. The corporation shall provide any additional information regarding the rates which the office requires. The office shall consider the recommendations of the board and issue a final order establishing the rates for the corporation within 45 days after the recommended rates are filed. The corporation may not pursue an administrative challenge or judicial review of the final order of the office.

2. In addition to the rates otherwise determined pursuant to this paragraph, the corporation shall impose and collect an amount equal to the premium tax provided for in s. 624.509 to augment the financial resources of the corporation.

3. After the public hurricane loss-projection model under s. 627.06281 has been found to be accurate and reliable by the Florida Commission on Hurricane Loss Projection Methodology, that model shall serve as the minimum benchmark for determining the windstorm portion of the corporation's rates. This subparagraph does not require or allow the corporation to adopt rates lower than the rates otherwise required or allowed by this paragraph.

4. The rate filings for the corporation which were approved by the office and which took effect January 1, 2007, are rescinded, except for those rates that were lowered. As soon as possible, the corporation shall begin using the lower rates that were in effect on December 31, 2006, and shall provide refunds to policyholders who have paid higher rates as a result of that rate filing. The rates in effect on December 31, 2006, shall remain in effect for the 2007 *and 2008* calendar *years* ~~year~~ except for any rate change that results in a lower rate. The next rate change that may increase rates shall take effect January 1, *2009* ~~2008~~, pursuant to a new rate filing recommended by the corporation and established by the office, subject to the requirements of this paragraph.

(r)*1.* There shall be no liability on the part of, and no cause of action of any nature shall arise against, any assessable insurer or its agents or employees, the corporation or its agents or employees, members of the board of governors or their respective designees at a board meeting, corporation committee members, or the office or its representatives, for any action taken by them in the performance of their duties or responsibilities under this subsection. Such immunity does not apply to:

a.~~1.~~ Any of the foregoing persons or entities for any willful tort;

b.~~2.~~ The corporation or its producing agents for breach of any contract or agreement pertaining to insurance coverage;

c.~~3.~~ The corporation with respect to issuance or payment of debt; ~~or~~

d.~~4.~~ Any assessable insurer with respect to any action to enforce an assessable insurer's obligations to the corporation under this subsection*; or*~~.~~

e. The corporation in any pending or future action for breach of contract or for benefits under a policy issued by the corporation; in any such action, the corporation shall be liable to the policyholders and beneficiaries for attorney's fees under s. 627.428.

2. The corporation shall manage its claim employees, independent adjusters, and others who handle claims to ensure they carry out the corporation's duty to its policyholders to handle claims carefully, timely, diligently, and in good faith, balanced against the corporation's duty to the state to manage its assets responsibly to minimize its assessment potential.

(ff) The office may establish a pilot program to offer optional sinkhole coverage in one or more counties or other territories of the corporation for the purpose of implementing s. 627.706, as amended by s. 30 of chapter 2007-1, Laws of Florida. Under the pilot program, the corporation is not required to issue a notice of nonrenewal to exclude sinkhole coverage upon the renewal of existing policies, but may exclude such coverage using a notice of coverage change.

Section 13. Subsection (4) of section 627.3511, Florida Statutes, is amended to read:

627.3511 Depopulation of Citizens Property Insurance Corporation.—

(4) AGENT BONUS.—When the corporation enters into a contractual agreement for a take-out plan that provides a bonus to the insurer, the producing agent of record of the corporation policy is entitled to retain any unearned commission on such policy, and the insurer shall either:

(a) Pay to the producing agent of record of the association policy, for the first year, an amount that is the greater of the insurer's usual and customary commission for the type of policy written or a fee equal to the usual and customary commission of the corporation; or

(b) Offer to allow the producing agent of record of the corporation policy to continue servicing the policy for a period of not less than 1 year and offer to pay the agent the greater of the insurer's or the corporation's usual and customary commission for the type of policy written.

If the producing agent is unwilling or unable to accept appointment, the new insurer shall pay the agent in accordance with paragraph (a). The requirement of this subsection that the producing agent of record is entitled to retain the unearned commission on an association policy does not apply to a policy for which coverage has been provided in the association for 30 days or less or for which a cancellation notice has been issued pursuant to s. 627.351(6)(c)*10.*~~11.~~ during the first 30 days of coverage.

Section 14. Paragraph (a) of subsection (3) of section 627.3515, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, is amended to read:

627.3515 Market assistance plan; property and casualty risks.—

(3)(a) The plan and the corporation shall develop a business plan and present it to the Financial Services Commission for approval by September 1, 2007, to provide for the implementation of an electronic database for the purpose of confirming eligibility pursuant to s. 627.351(6). *The business plan may provide that authorized insurers or agents of authorized insurers may submit to the plan or the corporation in electronic form, as determined by the plan or the corporation, information determined necessary by the plan or the corporation to deny coverage to risks ineligible for coverage by the corporation. Any authorized insurer submitting such information that results in a risk being denied coverage by the corporation is required to offer coverage to the risk at its approved rates, for the coverage and premium quoted, for at least 1 year.*

Section 15. Section 627.3517, Florida Statutes, is amended to read:

627.3517 Consumer choice.—

~~(1) Except as provided in subsection (2),~~ No provision of s. 627.351, s. 627.3511, or s. 627.3515 shall be construed to impair the right of any insurance risk apportionment plan policyholder, upon receipt of any keepout or take-out offer, to retain his or her current agent, so long as that agent is duly licensed and appointed by the insurance risk apportionment plan or otherwise authorized to place business with the insurance risk apportionment plan. This right shall not be canceled, suspended, impeded, abridged, or otherwise compromised by any rule, plan of operation, or depopulation plan, whether through keepout, take-out, midterm assumption, or any other means, of any insurance risk apportionment plan or depopulation plan, including, but not limited to, those described in s. 627.351, s. 627.3511, or s. 627.3515. The commission shall adopt any rules necessary to cause any insurance risk apportionment plan or market assistance plan under such sections to demonstrate that the operations of the plan do not interfere with, promote, or allow interference with the rights created under this section. If the policyholder's current agent is unable or unwilling to be appointed with the insurer making the take-out or keepout offer, the policyholder shall not be disqualified from participation in the appropriate insurance risk apportionment plan because of an offer of coverage in the voluntary market. An offer of full property insurance coverage by the insurer currently insuring either the ex-wind or wind-only coverage on the policy to which the offer applies shall not be considered a take-out or keepout offer. Any rule, plan of operation, or plan of depopulation, through keepout, take-out, midterm assumption, or any other means, of any property insurance risk apportionment plan under s. 627.351(2) or (6) is subject to ss. 627.351(2)(b) and (6)(c) and 627.3511(4).

~~(2) This section does not apply during the first 10 days after a new application for coverage has been submitted to Citizens Property Insurance Corporation under s. 627.351(6), whether or not coverage is bound during this period.~~

Section 16. Subsection (1) of section 627.4035, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, is amended to read:

627.4035 Cash payment of premiums; claims.—

(1) The premiums for insurance contracts issued in this state or covering risk located in this state shall be paid in cash consisting of coins, currency, checks, or money orders or by using a debit card, credit card, automatic electronic funds transfer, or payroll deduction plan. By July 1, 2007, insurers issuing personal lines residential and commercial property policies shall provide a premium payment plan option to their policyholders which allows for *a minimum of* quarterly and semiannual payment of premiums. *Insurers may, but are not required to, offer monthly payment plans.* Insurers issuing such policies must submit their premium payment plan option to the office for approval before use.

Section 17. Paragraph (b) of subsection (2) of section 627.4133, Florida Statutes, is amended, and subsection (7) is added to that section, to read:

627.4133 Notice of cancellation, nonrenewal, or renewal premium.—

(2) With respect to any personal lines or commercial residential property insurance policy, including, but not limited to, any homeowner's, mobile home owner's, farmowner's, condominium association, condominium unit owner's, apartment building, or other policy covering a residential structure or its contents:

(b) The insurer shall give the named insured written notice of nonrenewal, cancellation, or termination at least 100 days prior to the effective date of the nonrenewal, cancellation, or termination. However, the insurer shall give at least 100 days' written notice, or written notice by June 1, whichever is earlier, for any nonrenewal, cancellation, or termination that would be effective between June 1 and November 30. The notice must include the reason or reasons for the nonrenewal, cancellation, or termination, except that:

1. When cancellation is for nonpayment of premium, at least 10 days' written notice of cancellation accompanied by the reason therefor shall be given. As used in this subparagraph, the term "nonpayment of premium" means failure of the named insured to discharge when due any of her or his obligations in connection with the payment of premiums on a policy or any installment of such premium, whether the premium is payable directly to the insurer or its agent or indirectly under any premium finance plan or extension of credit, or failure to maintain membership in an organization if such membership is a condition precedent to insurance coverage. "Nonpayment of premium" also means the failure of a financial institution to honor an insurance applicant's check after delivery to a licensed agent for payment of a premium, even if the agent has previously delivered or transferred the premium to the insurer. If a dishonored check represents the initial premium payment, the contract and all contractual obligations shall be void ab initio unless the nonpayment is cured within the earlier of 5 days after actual notice by certified mail is received by the applicant or 15 days after notice is sent to the applicant by certified mail or registered mail, and if the contract is void, any premium received by the insurer from a third party shall be refunded to that party in full.

2. When such cancellation or termination occurs during the first 90 days during which the insurance is in force and the insurance is canceled or terminated for reasons other than nonpayment of premium, at least 20 days' written notice of cancellation or termination accompanied by the reason therefor shall be given except where there has been a material misstatement or misrepresentation or failure to comply with the underwriting requirements established by the insurer.

3. The requirement for providing written notice of nonrenewal by June 1 of any nonrenewal that would be effective between June 1 and November 30 does not apply to the following situations, but the insurer remains subject to the requirement to provide such notice at least 100 days prior to the effective date of nonrenewal:

a. A policy that is nonrenewed due to a revision in the coverage for sinkhole losses and catastrophic ground cover collapse pursuant to s. 627.730, as amended by s. 30 of chapter 2007-1, Laws of Florida.

b. A policy that is nonrenewed by Citizens Property Insurance Corporation, pursuant to s. 627.351(6), for a policy that has been assumed by

an authorized insurer offering replacement or renewal coverage to the policyholder.

After the policy has been in effect for 90 days, the policy shall not be canceled by the insurer except when there has been a material misstatement, a nonpayment of premium, a failure to comply with underwriting requirements established by the insurer within 90 days of the date of effectuation of coverage, or a substantial change in the risk covered by the policy or when the cancellation is for all insureds under such policies for a given class of insureds. This paragraph does not apply to individually rated risks having a policy term of less than 90 days.

(7)(a) Effective August 1, 2007, with respect to any residential property insurance policy, every notice of renewal premium must specify:

1. The dollar amounts recouped for assessments by the Florida Hurricane Catastrophe Fund, the Citizens Property Insurance Corporation, and the Florida Insurance Guaranty Association. The actual names of the entities must appear next to the dollar amounts.

2. The dollar amount of any premium increase that is due to an approved rate increase and the total dollar amount that is due to coverage changes.

(b) The Financial Services Commission may adopt rules pursuant to ss. 120.536(1) and 120.54 to implement this subsection.

Section 18. Paragraphs (a) and (c) of subsection (3) and paragraph (d) of subsection (4) of section 627.701, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, are amended to read:

627.701 Liability of insureds; coinsurance; deductibles.—

(3)(a) Except as otherwise provided in this subsection, prior to issuing a personal lines residential property insurance policy, the insurer must offer alternative deductible amounts applicable to hurricane losses equal to $500, 2 percent, 5 percent, and 10 percent of the policy dwelling limits, unless the specific percentage deductible is less than $500. The written notice of the offer shall specify the hurricane ~~or wind~~ deductible to be applied in the event that the applicant or policyholder fails to affirmatively choose a hurricane deductible. The insurer must provide such policyholder with notice of the availability of the deductible amounts specified in this paragraph in a form approved by the office in conjunction with each renewal of the policy. The failure to provide such notice constitutes a violation of this code but does not affect the coverage provided under the policy.

(c) With respect to a policy covering a risk with dwelling limits of at least $100,000, but less than $250,000, the insurer may, in lieu of offering a policy with a $500 hurricane ~~or wind~~ deductible as required by paragraph (a), offer a policy that the insurer guarantees it will not nonrenew for reasons of reducing hurricane loss for one renewal period and that contains up to a 2 percent hurricane ~~or wind~~ deductible as required by paragraph (a).

(4)

(d)1. A personal lines residential property insurance policy covering a risk valued at less than $500,000 may not have a hurricane deductible in excess of 10 percent of the policy dwelling limits, unless the following conditions are met:

a. The policyholder must personally write and provide to the insurer the following statement in his or her own handwriting and sign his or her name, which must also be signed by every other named insured on the policy, and dated: "I do not want the insurance on my home to pay for the first (specify dollar value) of damage from hurricanes. I will pay those costs. My insurance will not."

b. If the structure insured by the policy is subject to a mortgage or lien, the policyholder must provide the insurer with a written statement from the mortgageholder or lienholder indicating that the mortgageholder or lienholder approves the policyholder electing to have the specified deductible.

2. A deductible subject to the requirements of this paragraph applies for the term of the policy and for each renewal *thereafter* ~~unless the policyholder elects otherwise~~. *Changes to the deductible percentage may be implemented only as of the date of renewal.*

3. An insurer shall keep the original copy of the signed statement required by this paragraph*, electronically or otherwise,* and provide a copy to the policyholder providing the signed statement. A signed statement meeting the requirements of this paragraph creates a presumption that there was an informed, knowing election of coverage.

4. The commission shall adopt rules providing appropriate alternative methods for providing the statements required by this section for policyholders who have a handicapping or disabling condition that prevents them from providing a handwritten statement.

Section 19. Subsection (5) of section 627.70131, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, is amended to read:

627.70131 Insurer's duty to acknowledge communications regarding claims; investigation.—

(5)*(a)* Within 90 days after an insurer receives notice of a property insurance claim from a policyholder, the insurer shall pay or deny such claim *or a portion of the claim* unless the failure to pay such claim *or a portion of the claim* is caused by factors beyond the control of the insurer which reasonably prevent such payment. *Any payment of a claim or portion of a claim paid 90 days after the insurer receives notice of the claim, or paid more than 15 days after there are no longer factors beyond the control of the insurer which reasonably prevented such payment, whichever is later, shall bear interest at the rate set forth in s. 55.03. Interest begins to accrue from the date the insurer receives notice of the claim. The provisions of this subsection may not be waived, voided, or nullified by the terms of the insurance policy. If there is a right to prejudgment interest, the insured shall select whether to receive prejudgment interest or interest under this subsection. Interest is payable when the claim or portion of the claim is paid.* Failure to comply with this subsection constitutes a violation of this code. *However, failure to comply with this subsection shall not form the sole basis for a private cause of action.*

(b) Notwithstanding subsection (4), for purposes of this subsection, the term "claim" means any of the following:

1. A claim under an insurance policy providing residential coverage as defined in s. 627.4025(1);

2. A claim for structural or contents coverage under a commercial property insurance policy if the insured structure is 10,000 square fee or less; or

3. A claim for contents coverage under a commercial tenants policy if the insured premises is 10,000 square feet or less.

(c) This subsection shall not apply to claims under an insurance policy covering nonresidential commercial structures or contents in more than one state.

Section 20. Subsections (1), (2), (3), (4), and (5) of section 627.712, Florida Statutes, as created by chapter 2007-1, Laws of Florida, are amended to read:

627.712 Residential *windstorm* ~~hurricane~~ coverage required; availability of exclusions for windstorm or contents.—

(1) An insurer issuing a residential property insurance policy must provide ~~hurricane or~~ windstorm coverage ~~as defined in s. 627.4025~~. This subsection does not apply with respect to risks that are eligible for wind-only coverage from Citizens Property Insurance Corporation under s. 627.351(6).

(2) *A property* ~~An~~ insurer ~~that is subject to subsection (1)~~ must make available, at the option of the policyholder, an exclusion of ~~hurricane coverage or~~ windstorm coverage. The coverage may be excluded only if:

(a)*1. When the policyholder is a natural person,* the policyholder personally writes and provides to the insurer the following statement in his or her own handwriting and signs his or her name, which must also be signed by every other named insured on the policy, and dated: "I do not want the insurance on my (home/mobile home/condominium unit) to pay for damage from windstorms ~~or hurricanes~~. I will pay those costs. My insurance will not."

2. When the policyholder is other than a natural person, the policyholder provides to the insurer on the policyholder's letterhead the follow-

ing statement that must be signed by the policyholder's authorized representative and dated: "(Name of entity) does not want the insurance on its (type of structure) to pay for damage from windstorms. (Name of entity) will be responsible for these costs. (Name of entity)'s insurance will not."

(b) If the structure insured by the policy is subject to a mortgage or lien, the policyholder must provide the insurer with a written statement from the mortgageholder or lienholder indicating that the mortgageholder or lienholder approves the policyholder electing to exclude windstorm coverage or hurricane coverage from his or her *or its* ~~residential~~ property insurance policy.

(3) An insurer issuing a residential property insurance policy, except for a condominium unit owner's policy *or a tenant's policy*, must make available, at the option of the policyholder, an exclusion of coverage for the contents. The coverage may be excluded only if the policyholder personally writes and provides to the insurer the following statement in his or her own handwriting and signs his or her signature, which must also be signed by every other named insured on the policy, and dated: "I do not want the insurance on my (home/mobile home) to pay for the costs to repair or replace any contents that are damaged. I will pay those costs. My insurance will not."

(4) An insurer shall keep the original copy of a signed statement required by this section*, electronically or otherwise,* and provide a copy to the policyholder providing the signed statement. A signed statement meeting the requirements of this section creates a presumption that there was an informed, knowing rejection of coverage.

(5) *The exclusions authorized by this section apply for the term of the policy and for each renewal thereafter. Changes to the exclusions authorized by this section may be implemented only as of the date of renewal.* ~~The exclusions authorized by this section are valid for the term of the contract and for each renewal unless the policyholder elects otherwise.~~

Section 21. Subsections (4) and (5) of section 627.7277, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, are amended to read:

627.7277 Notice of renewal premium.—

~~(4) Every notice of renewal premium must specify:~~

~~(a) The dollar amounts recouped for assessments by the Florida Hurricane Catastrophe Fund, the Citizens Property Insurance Corporation, and the Florida Insurance Guaranty Association. The actual names of the entities must appear next to the dollar amounts.~~

~~(b) The dollar amount of any premium increase that is due to a rate increase and the dollar amounts that are due to coverage changes.~~

~~(5) The Financial Services Commission may adopt rules pursuant to ss. 120.536(1) and 120.54 to implement this section.~~

Section 22. Subsection (11) of section 631.52, Florida Statutes, is amended to read:

631.52 Scope.—This part shall apply to all kinds of direct insurance, except:

(11) Self-insurance *and any kind of self-insurance fund, liability pool, or risk management fund*;

Section 23. Paragraph (e) of subsection (3) of section 631.57, Florida Statutes, as amended by chapter 2007-1, Laws of Florida, is amended to read:

631.57 Powers and duties of the association.—

(3)

(e)1.a. In addition to assessments otherwise authorized in paragraph (a) and to the extent necessary to secure the funds for the account specified in s. 631.55(2)(c) for the direct payment of covered claims of *insurers rendered* insolvent *by the effects of a hurricane* ~~homeowners' insurers~~ and to pay the reasonable costs to administer such claims, or to retire indebtedness, including, without limitation, the principal, redemption premium, if any, and interest on, and related costs of issuance of, bonds issued under s. 631.695 and the funding of any reserves and other payments required under the bond resolution or trust indenture pursuant to which such bonds have been issued, the office, upon certification of the board of directors, shall levy emergency assessments upon insurers holding a certificate of authority. The emergency assessments payable under this paragraph by any insurer shall not exceed in any single year more than 2 percent of that insurer's direct written premiums, net of refunds, in this state during the preceding calendar year for the kinds of insurance within the account specified in s. 631.55(2)(c).

b. Any emergency assessments authorized under this paragraph shall be levied by the office upon insurers referred to in subsubparagraph a., upon certification as to the need for such assessments by the board of directors. In the event the board of directors participates in the issuance of bonds in accordance with s. 631.695, emergency assessments shall be levied in each year that bonds issued under s. 631.695 and secured by such emergency assessments are outstanding, in such amounts up to such 2-percent limit as required in order to provide for the full and timely payment of the principal of, redemption premium, if any, and interest on, and related costs of issuance of, such bonds. The emergency assessments provided for in this paragraph are assigned and pledged to the municipality, county, or legal entity issuing bonds under s. 631.695 for the benefit of the holders of such bonds, in order to enable such municipality, county, or legal entity to provide for the payment of the principal of, redemption premium, if any, and interest on such bonds, the cost of issuance of such bonds, and the funding of any reserves and other payments required under the bond resolution or trust indenture pursuant to which such bonds have been issued, without the necessity of any further action by the association, the office, or any other party. To the extent bonds are issued under s. 631.695 and the association determines to secure such bonds by a pledge of revenues received from the emergency assessments, such bonds, upon such pledge of revenues, shall be secured by and payable from the proceeds of such emergency assessments, and the proceeds of emergency assessments levied under this paragraph shall be remitted directly to and administered by the trustee or custodian appointed for such bonds.

c. Emergency assessments under this paragraph may be payable in a single payment or, at the option of the association, may be payable in 12 monthly installments with the first installment being due and payable at the end of the month after an emergency assessment is levied and subsequent installments being due not later than the end of each succeeding month.

d. If emergency assessments are imposed, the report required by s. 631.695(7) shall include an analysis of the revenues generated from the emergency assessments imposed under this paragraph.

e. If emergency assessments are imposed, the references in subsubparagraph (1)(a)3.b. and s. 631.695(2) and (7) to assessments levied under paragraph (a) shall include emergency assessments imposed under this paragraph.

2. In order to ensure that insurers paying emergency assessments levied under this paragraph continue to charge rates that are neither inadequate nor excessive, within 90 days after being notified of such assessments, each insurer that is to be assessed pursuant to this paragraph shall submit a rate filing for coverage included within the account specified in s. 631.55(2)(c) and for which rates are required to be filed under s. 627.062. If the filing reflects a rate change that, as a percentage, is equal to the difference between the rate of such assessment and the rate of the previous year's assessment under this paragraph, the filing shall consist of a certification so stating and shall be deemed approved when made. Any rate change of a different percentage shall be subject to the standards and procedures of s. 627.062.

3. In the event the board of directors participates in the issuance of bonds in accordance with s. 631.695, an annual assessment under this paragraph shall continue while the bonds issued with respect to which the assessment was imposed are outstanding, including any bonds the proceeds of which were used to refund bonds issued pursuant to s. 631.695, unless adequate provision has been made for the payment of the bonds in the documents authorizing the issuance of such bonds.

4. Emergency assessments under this paragraph are not premium and are not subject to the premium tax, to any fees, or to any commissions. An insurer is liable for all emergency assessments that the insurer collects and shall treat the failure of an insured to pay an emergency assessment as a failure to pay the premium. An insurer is not liable for uncollectible emergency assessments.

Section 24. Paragraphs (g), (h), and (i) of subsection (1) and subsections (2) and (6) of section 631.695, Florida Statutes, are amended to read:

631.695 Revenue bond issuance through counties or municipalities.—

(1) The Legislature finds:

(g) To achieve the foregoing purposes, it is proper to authorize municipalities and counties of this state ~~substantially affected by the landfall of a hurricane~~ to issue bonds to assist the Florida Insurance Guaranty Association in expediting the handling and payment of covered claims of insolvent insurers.

(h) In order to avoid the needless and indiscriminate proliferation, duplication, and fragmentation of such assistance programs, it is in the best interests of the residents of this state to authorize municipalities and counties ~~severely affected by a hurricane~~ to provide for the payment of covered claims beyond their territorial limits in the implementation of such programs.

(i) It is a paramount public purpose for municipalities and counties ~~substantially affected by the landfall of a hurricane~~ to be able to issue bonds for the purposes described in this section. Such issuance shall provide assistance to residents of those municipalities and counties as well as to other residents of this state.

(2) The governing body of any municipality or county~~, the residents of which have been substantially affected by a hurricane,~~ may issue bonds to fund an assistance program in conjunction with, and with the consent of, the Florida Insurance Guaranty Association for the purpose of paying claimants' or policyholders' covered claims, as defined in s. 631.54, arising through the insolvency of an insurer, which insolvency is determined by the Florida Insurance Guaranty Association to have been a result of a hurricane, regardless of whether the claimants or policyholders are residents of such municipality or county or the property to which the claim relates is located within or outside the territorial jurisdiction of the municipality or county. The power of a municipality or county to issue bonds, as described in this section, is in addition to any powers granted by law and may not be abrogated or restricted by any provisions in such municipality's or county's charter. A municipality or county issuing bonds for this purpose shall enter into such contracts with the Florida Insurance Guaranty Association or any entity acting on behalf of the Florida Insurance Guaranty Association as are necessary to implement the assistance program. Any bonds issued by a municipality or county or a combination thereof under this subsection shall be payable from and secured by moneys received by or on behalf of the municipality or county from assessments levied under s. 631.57(3)(a) and assigned and pledged to or on behalf of the municipality or county for the benefit of the holders of the bonds in connection with the assistance program. The funds, credit, property, and taxing power of the state or any municipality or county shall not be pledged for the payment of such bonds.

(6) Two or more municipalities or counties~~, the residents of which have been substantially affected by a hurricane,~~ may create a legal entity pursuant to s. 163.01(7)(g) to exercise the powers described in this section as well as those powers granted in s. 163.01(7)(g). References in this section to a municipality or county includes such legal entity.

Section 25. Section 1004.647, Florida Statutes, is created to read:

1004.647 Florida Catastrophic Storm Risk Management Center.—The Florida Catastrophic Storm Risk Management Center is created at the Florida State University, College of Business, Department of Risk Management. The purpose of the center is to promote and disseminate research on issues related to catastrophic storm loss and to assist in identifying and developing education and research grant funding opportunities among higher education institutions in this state and the private sector. The purpose of the activities of the center is to support the state's ability to prepare for, respond to, and recover from catastrophic storms. The center shall:

(1) Coordinate and disseminate research efforts that are expected to have an immediate impact on policy and practices related to catastrophic storm preparedness.

(2) Coordinate and disseminate information related to catastrophic storm risk management, including, but not limited to, research and information that would benefit businesses, consumers, and public policy makers. Areas of interest may include storm forecasting, loss modeling, building construction and mitigation, and risk management strategies. Through its efforts, the center shall facilitate Florida's preparedness for and responsiveness to catastrophic storms and collaborate with other public and private institutions.

(3) Create and promote studies that enhance the educational options available to risk management and insurance students.

(4) Publish and disseminate findings.

(5) Organize and sponsor conferences, symposia, and workshops to educate consumers and policymakers.

Section 26. *Effective December 31, 2008, and notwithstanding any other provision of law:*

(1) A new certificate of authority for the transaction of residential property insurance may not be issued to any insurer domiciled in this state which is a wholly owned subsidiary of an insurer authorized to do business in any other state.

(2) The rate filings of any insurer domiciled in this state that is a wholly owned subsidiary of an insurer authorized to do business in any other state shall include information relating to the profits of the parent company of the insurer domiciled in this state.

Section 27. *(1) Notwithstanding section 9 of chapter 2007-1, Laws of Florida, the internal design option provided in Section 1609.1.4.1, Florida Building Code, Building Volume, and Section R301.2.1.2, Florida Building Code, Residential Volume, shall remain in effect until June 1, 2007, for a building permit application made before that date.*

(2) Subsection (1) shall take effect upon becoming a law and shall apply retroactively to January 25, 2007. Subsection (1) applies to any action taken with respect to a building permit affected by section 9 of chapter 2007-1, Laws of Florida, including any actions, legal or ministerial, pertaining to the issuance, revocation, or modifications of any building permit initiated or issued before, on, or after January 25, 2007, or pending as of January 25, 2007.

(3) If the retroactivity of any provision of subsection (1) or its retroactive application to any person or circumstance is held invalid, the invalidity shall not affect the retroactivity or retroactive application of other provisions of subsection (1).

Section 28. *(1) The Citizens Property Insurance Corporation Mission Review Task Force is created to analyze and compile available data and to develop a report setting forth the statutory and operational changes needed to return Citizens Property Insurance Corporation to its former role as a state-created, noncompetitive residual market mechanism that provides property insurance coverage to risks that are otherwise entitled but unable to obtain such coverage in the private insurance market. The task force shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 31, 2008. At a minimum, the task force shall analyze and evaluate relevant and applicable information and data and develop recommendations concerning:*

(a) The nature of Citizens Property Insurance Corporation's role in providing property insurance coverage when and only if such coverage is not available from private insurers.

(b) The ability of the admitted market to offer policies to those consumers formerly insured through Citizens Property Insurance Corporation. This consideration shall include, but not be limited to, the availability of private market reinsurance and coverage through the Florida Hurricane Catastrophe Fund, the general adequacy of the admitted market's current rates, and the capacity of the industry to offer policies to former Citizens Property Insurance Corporation policyholders within existing writing ratio limitations.

(c) The appropriate relationship of rates charged by Citizens Property Insurance Corporation to rates charged by private insurers, with due consideration for the corporation's role as a noncompetitive residual market mechanism.

(d) The relationships between the exposure of Citizens Property Insurance Corporation to catastrophic hurricane losses, the corporation's history of purchasing inadequate or no reinsurance coverage, and the corporation's lack of adequate capital to meet its potential claim obligations without incurring large deficits.

(e) The adverse effects on the people and the economy of this state of the large, multiyear deficit assessments by Citizens Property Insurance Corporation that may be levied on businesses and households in this state, and steps that can be taken to reduce those effects.

(f) The operational implications of the variation in the number of policies in force over time in Citizens Property Insurance Corporation and the merits of outsourcing some or all of its operational responsibilities.

(g) Changes in the mission and operations of Citizens Property Insurance Corporation to reduce or eliminate any adverse effect such mission and operations may be having on the promotion of sound and economic growth and development of the coastal areas of this state.

(2) The task force shall be composed of 19 members as follows:

(a) Three members appointed by the Speaker of the House of Representatives.

(b) Three members appointed by the President of the Senate.

(c) Four members appointed by the Governor who are not employed by or professionally affiliated with an insurance company or a subsidiary of an insurance company, at least two of whom must be a consumer advocate or a member of a consumer advocacy organization or agency.

(d) Nine members appointed as representatives of private insurance companies as follows:

1. Two members representing two separate insurance companies in this state that each provide at least 300,000 property insurance policies statewide at the time of the creation of the task force.

2. Two members representing two separate insurance companies in this state that each provide at least 100,000 but no more than 299,000 property insurance policies statewide at the time of the creation of the task force.

3. Two members representing two separate insurance companies in this state that each provide fewer than 100,000 property insurance policies statewide at the time of the creation of the task force.

4. Three members appointed by the Chief Financial Officer representing insurance agents in this state, at least one of whom represents the largest property and casualty insurance agent's association in this state.

Of each pair of members appointed under subparagraphs 1., 2., and 3., one shall be appointed by the President of the Senate and one by the Speaker of the House of Representatives.

(3) The task force shall conduct research, hold public meetings, receive testimony, employ consultants and administrative staff, and undertake other activities determined by its members to be necessary to complete its responsibilities. Citizens Property Insurance Corporation shall have appropriate senior staff attend task force meetings, shall respond to requests for testimony and data by the task force, and shall otherwise cooperate with the task force.

(4) A member of the task force may not delegate his or her attendance or voting power to a designee.

(5) Members of the task force shall serve without compensation but are entitled to receive reimbursement for travel and per diem as provided in s. 112.061, Florida Statutes.

(6) The appointments to the task force must be completed within 30 calendar days after the effective date of this act, and the task force must hold its initial meeting within 1 month after appointment of all members. The task force shall expire no later than 60 calendar days after submission of the report required in subsection (1).

(7) The Department of Financial Services and other agencies of this state shall supply any information, assistance, and facilities that are considered necessary to the task force to carry out its duties under this section. The department shall provide staff assistance as necessary in order to carry out the required clerical and administrative functions of the task force.

Section 29. *For the 2007-2008 fiscal year, the nonrecurring sum of $600,000 is appropriated from the Insurance Regulatory Trust Fund to the Department of Financial Services for the purposes set forth in this act relating to the Citizens Property Insurance Corporation Mission Review Task Force.*

Section 30. Except as otherwise expressly provided in this act, this act shall take effect upon becoming a law.

And the title is amended as follows:

Remove the entire title and insert:

A bill to be entitled An act relating to hurricane preparedness and insurance; amending s. 163.01, F.S.; correcting a cross-reference; amending s. 215.555, F.S.; revising certain reimbursement contract requirements; deleting an expiration provision relating to obtaining coverage for liquidated insurers; delaying repeal of an exemption of medical malpractice insurance premiums from emergency assessments; revising criteria, requirements, and limitations on temporary emergency options for additional coverage under the Florida Hurricane Catastrophe Fund; amending s. 215.5595, F.S.; providing that domestic and other insurers writing only manufactured housing policies are eligible to receive a surplus note in a specified amount; revising prioritization of certain insurers in receiving funds; providing a definition; amending s. 624.407, F.S.; revising an insurer criterion for capital funds requirements for new insurers; creating s. 624.46226, F.S.; permitting two or more public housing authorities to create a self-insurance fund for specified purposes; amending s. 626.914, F.S.; revising the definition of the term "diligent effort"; amending s. 626.916, F.S.; providing requirements for insurance coverage eligible for export for residential property risks; requiring that the insured be notified that coverage may be available from Citizens Property Insurance Corporation; amending s. 626.9201, F.S.; revising requirements concerning cancellation for nonpayment of premium of policies providing coverage for property, casualty, surety, or marine insurance; defining the term "nonpayment of premium"; providing that certain contracts or contractual obligations concerning such coverage are void under specified conditions; requiring the refund of certain premiums received by an insurer; amending s. 627.0613, F.S.; limiting application of certain annual report card preparation powers of the consumer advocate to personal residential property insurers; amending s. 627.062, F.S.; specifying application of certain "file and use" requirements to property insurance only; excluding certain motor vehicle coverages; providing that certain interest paid by an insurer may not be included in rate base or used to justify a rate or rate change; amending s. 627.0655, F.S.; revising criteria for certain inclusion of discounts in certain premiums; amending s. 627.351, F.S.; revising legislative findings to provide a finding that the lack of affordable property insurance threatens the public health, safety, and welfare and threatens the economic health of the state; revising provisions for determining eligibility for coverage under Citizens Property Insurance Corporation; limiting application of the term "subject lines of business" to deficit assessments; revising a provision for determining eligibility of a risk for coverage; providing requirements for determining comparable coverage; specifying the sections of ch. 112, F.S., relating to the code of ethics for political subdivisions of the state, which apply to employees, senior managers, and members of the board of the corporation; revising requirements relating to senior management employees and members of the board of governors; amending s. 627.3511, F.S.; correcting a cross-reference; amending s. 627.3515, F.S.; revising criteria for an electronic database for a business plan; amending s. 627.3517, F.S.; deleting a provision specifying nonapplication for a certain period; amending s. 627.4035, F.S.; revising a premium payment plan option provision for certain insurers; amending s. 627.4133, F.S.; specifying requirements for notices of nonrenewal and renewal of property insurance policies; authorizing the Financial Services Commission to adopt rules; amending s. 627.701, F.S.; revising requirements for deductibles for certain personal lines residential property insurance policies; amending s. 627.70131, F.S.; revising provisions relating to when an insurer must pay a claim; providing conditions under which interest must be paid; providing a definition; providing for nonapplication to certain claims; amending s. 627.712, F.S.; limiting application of certain residential windstorm coverage requirements to property insurance policies; specifying separate coverage exclusion statements for policyholders that are natural persons and other than natural persons; specifying a period of application of certain

exclusions; providing for implementation of changes to certain exclusions; amending s. 627.7277, F.S.; deleting certain notice of renewal premium requirements; deleting authority of the commission to adopt rules; amending s. 631.52, F.S.; expanding an exception to application to self-insurance of provisions relating to Florida Insurance Guaranty of Payments; amending s. 631.57, F.S.; revising certain emergency assessment provisions relating to insurers rendered insolvent by the effects of hurricanes; amending s. 631.695, F.S.; deleting provisions limiting application of certain revenue bond issuance authority to certain counties; creating s. 1004.647, F.S.; creating the Florida Catastrophic Storm Risk Management Center at Florida State University; providing purposes; providing responsibilities of the center; prohibiting issuance of new certificates of authority to certain insurers; requiring rate filings of certain insurers to include certain parent company profits information; providing that the internal design option of the Florida Building Code remains in effect until a specified date for a building permit application made before that date, notwithstanding provisions of ch. 2007-1, Laws of Florida; providing for effect and for retroactive application; applying the act to any actions taken with respect to a building permit affected by such prior act; creating the Citizens Property Insurance Corporation Mission Review Task Force; providing purposes; requiring a report; providing report requirements; providing for appointment of members; providing responsibilities; specifying service without compensation; providing for reimbursement of per diem and travel expenses; providing meeting requirements; requiring the corporation to assist the task force; providing for the expiration of the task force; requiring the Department of Financial Services to provide information, facilities, and assistance to the task force necessary to carry out its purposes; providing an appropriation; providing effective dates.

House Amendment 2 to House Amendment 1 (865383)—

Remove line(s) 519 and insert:

eligible to receive a surplus note of up to $7 million.

House Amendment 3 to House Amendment 1 (316977)(with title amendment)—

Remove line(s) 576-585.

And the title is amended as follows:

Remove line(s) 2586-2588 and insert:

amending s. 626.914, F.S.; revising the

On motion by Senator Garcia, the Senate concurred in the House amendments.

CS for SB 2498 passed as amended and was ordered engrossed and then enrolled. The action of the Senate was certified to the House. The vote on passage was:

Yeas—38

Mr. President	Fasano	Oelrich
Alexander	Gaetz	Peaden
Aronberg	Garcia	Posey
Atwater	Geller	Rich
Baker	Haridopolos	Ring
Bennett	Hill	Saunders
Bullard	Jones	Siplin
Carlton	Joyner	Storms
Constantine	Justice	Villalobos
Crist	King	Webster
Deutch	Lawson	Wilson
Diaz de la Portilla	Lynn	Wise
Dockery	Margolis	

Nays—None

RECESS

The President declared the Senate in informal recess at 3:50 p.m.

CALL TO ORDER

The Senate was called to order by the President at 4:10 p.m. A quorum present.

REPORTS OF COMMITTEES RELATING TO EXECUTIVE BUSINESS

Ms. Faye Blanton May 4, 2007
Secretary of the Florida Senate

Dear Madam Secretary:

The following executive appointments were referred to the Senate Committee on Ethics and Elections for action pursuant to Rule 12.7(1) of the Rules of the Florida Senate:

Office and Appointment		*For Term Ending*
Interim Secretary, Department of Community Affairs		
Appointee:	Browning, Janice	Pleasure of Governor
Secretary of Elderly Affairs		
Appointee:	Corley, Charles Thomas	Pleasure of Governor
Secretary of Juvenile Justice		
Appointee:	Lorenzo, Cynthia R.	Pleasure of Governor
State Board of Education		
Appointee:	Desai, Akshay M.	12/31/2010
Board of Trustees, Florida A & M University		
Appointee:	Lowe, Challis M.	01/06/2011

The Senate Committee on Ethics and Elections did not consider the following appointments and the appointees were left pending and were not acted on by the Senate upon adjournment of the 2007 Regular Session of the Florida Legislature:

Janice Browning; Charles Corley; Cynthia Lorenzo

The Senate Committee on Ethics and Elections did not consider the following appointments because the appointee resigned:

Challis M. Lowe

The following executive appointment was referred to the Senate Committee on Education Pre-K - 12 and the Senate Committee on Ethics and Elections for action pursuant to Rule 12.7(1) of the Rules of the Florida Senate. The Senate Committee on Education Pre-K - 12 recommended confirmation. The Senate Committee on Ethics and Elections did not consider the appointment and the appointee was left pending and was not acted on by the Senate upon adjournment of the 2007 Regular Session of the Florida Legislature.

Akshay Desai

Respectfully submitted,
Lee Constantine, Chair

Ms. Faye Blanton May 4, 2007
Secretary of the Florida Senate

Dear Madam Secretary:

Please be advised that the following appointments were not received by the Florida Senate for consideration in the 2007 Regular Session. Therefore, pursuant to s. 114.05(1)(e), F.S., the Senate took no action on these appointments during the regular session immediately following the effective date of the appointment.

Office and Appointment		*For Term Ending*
Council on Efficient Government		
Appointees:	Agrawal, Akhil K.	02/28/2007
	Yandell, Timothy S.	02/28/2007

Respectfully submitted,
Lee Constantine, Chair

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

RETURNING MESSAGES—FINAL ACTION

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has passed CS for SB 122, CS for SB 246, CS for CS for SB 448, CS for SB 606, CS for CS for SB 624, SB 978, CS for CS for SB 1030, CS for SB 1034, CS for SB 1376, CS for SB 1394, SB 1510, CS for SB 1732, CS for CS for SB 1822, CS for SB 2118 and CS for SB 2512; receded from House Amendment 2 and passed CS for SB 420; receded from House Amendment 1 and passed CS for SB 900; receded from House Amendment 1 and passed SB 1748; and passed SJR 166 by the required constitutional three-fifths vote of the membership of the House.

William S. Pittman III, Chief Clerk

The bills contained in the foregoing messages were ordered enrolled.

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has concurred in Senate Amendment(s) to House Amendment(s) and passed CS for SB 1758 as further amended; concurred in Senate Amendments to House Amendments and passed CS for CS for SB 770 as amended; concurred in Senate Amendment 1 to House Amendment 1 and passed CS for SB 2092 as amended; and concurred in Senate Amendment 1 to House Amendment 1, receded from House Amendment 2 and passed CS for CS for SB 2836 as amended.

William S. Pittman III, Chief Clerk

The bills contained in the foregoing messages were ordered engrossed and then enrolled.

The Honorable Ken Pruitt, President

I am directed to inform the Senate that the House of Representatives has concurred in Senate Amendment(s) and passed CS for HB 397, CS for HB 537, CS for CS for HB 967, CS for HB 981, CS for CS for HB 985, HB 1155, CS for HB 1489, HB 1549, HB 7031, CS for HB 7057, HB 7087, CS for HB 7123, HB 7177 and HB 7203 as amended.

William S. Pittman III, Chief Clerk

CORRECTION AND APPROVAL OF JOURNAL

The Journal of May 3 was corrected and approved.

CO-INTRODUCERS

Senators Alexander—CS for CS for SB 450, CS for CS for SB 1226, CS for CS for CS for SB 1638, CS for SB 1736, CS for CS for SB 2496; Crist—CS for SB 96, CS for CS for SB 518, CS for SB 900, CS for CS for CS for SB 996 and CS for SB 2666, CS for SB 1456, CS for CS for SB 1762, SB 1862, CS for SB 1920, SB 2304, CS for SB 2768; Deutch—SB 52

ADJOURNMENT

On motion by Senator King, the Senate adjourned sine die at 4:12 p.m.